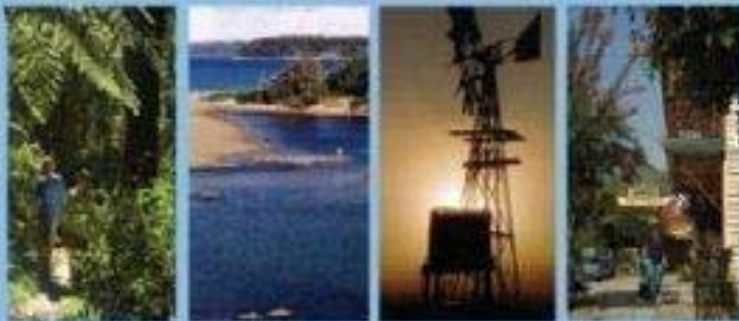


Your Place
Our Place
Great Place



Bega Valley
2030

Bega Valley Shire Council



Liveable Place



Enterprising Place



Sustainable Place



Accessible Place



Leading Organisation



END OF TERM REPORT
SEPTEMBER 2008 - SEPTEMBER 2012

COUNCIL END OF TERM REPORT 2008 - 12

Introduction 4

The Bega Valley Shire Community 5

Our Population	5
Our Indigenous Community	6
Our Households	7
Our Homes	7
Where We Come From	8
Our Age Profile	8
Our Schooling and Education	9
Our Economy	10

Our Council 12

Financial Summary 14

The Long Term Financial Plan	14
Financial Achievements	17
Income and expenditure	18
Interest and Investment Revenue	20
Expenses	20
Debt 22	
Councils Debt Service Ratio	22
Asset Management	23
Special Variations to General Revenue	24

Major Achievements 25

Capital Projects	26
Strategic Achievements	35

Achievements against the Community Strategic Plan 2008-2012 41

Liveability	41
Enterprising	46
Sustainability	49
Accessibility	52
Leading Organisation	56

Challenges for the Future – Setting our Direction	60
Conclusion	63

Introduction

The End of Term (EOT) Report outlines Council's progress in implementing its adopted Community Strategic Plan, *Bega Valley 2030 (BV2030)*, during its term, and is a requirement under section 428(2) of the *Local Government Act 1993*. Councils are encouraged to utilise the performance measures and assessment methods identified in their community strategic plan to determine the content of the report.

The purpose of the EOT Report is to summarise key movements in infrastructure, environment, financial and workforce conditions between 2008 and 2012, highlight key initiatives and projects across that period, and outline key issues that emerged and were addressed or influenced by Council.

Council has direct influence over many functions, services and initiatives, but in addition, is often involved in the periphery of many others as a facilitator or advocate. This report is focussed primarily on the activities and services directly provided by the Council but, wherever possible, liaison has taken place with external organisations to obtain available information to support the EOT Report.

The Report outlines how Council is progressing towards achieving the social, environmental, economic and civic leadership objectives of [BV2030](#), and where the objectives are not being met, the report identifies known impediments, and how these might be overcome in the future.

BV2030 was informed by a suite of strategies, adjusted following extensive community engagement, organised into themes of Liveability, Sustainability, Accessibility, Enterprising and Leading Organisation, and filtered to ensure strategic actions were 'readable and 'believable'. Following an independent sustainability review and community feedback, Councillors revised asset and service standards and funding, so that BV2030 was 'achievable and affordable' having regard to the capability of the organisation and the capacity of the community to pay for services.

Council has considered whether there were any unintended outcomes from the actions taken to implement BV2030 and has made some commentary about these in the report.

The EOT Report is the outgoing Council's report to its community. It is also one of three components informing the incoming Council's review of the Community Strategic Plan (see [Integrated Planning & Reporting](#) (IP&R) Guidelines, which should occur within nine months of its election.



Local Government Planning and Reporting framework

The Bega Valley Shire Community

Bega Valley Shire is located at the south-eastern extremity of New South Wales, covering a large section of coastline from Bermagui in the north, to the Victorian border at Cape Howe. The Shire extends inland through farming and forestry country to the Great Dividing Range. The Shire is located between 400 and 550km south of Sydney along the Princes Highway (National Route 1).

Bega Valley Shire is bordered by Eurobodalla Shire to the north, Bombala and Cooma-Monaro in the west, and East Gippsland Shire in Victoria to the south. At 6,279 square kilometres our Shire is the largest coastal Council in the State. Despite this, our population is relatively small and dispersed amongst several population centres. Only 25% of our Shire's area is rateable. The remaining 75% comprises Crown Land, National Park and State Forest.

Geographically, Bega Valley Shire is somewhat isolated; being a long distance from other major coastal centres, and separated from the inland by windy roads through the Great Dividing Range. The closest large city is Canberra, 225km north-west and inland by road.

The Bega Valley Shire is renowned for its dairy industry, timber and fishing heritage. Unspoilt natural beauty and a valued 'clean and green' image make it a prime holiday destination for both domestic and international tourists.

Our Population ¹

On Census night 2011 our Shire's population was 31,950. This was an increase of 888, or 2.9% per year since the 2006 Census (31,060).

The population is dominated by the retired population – over 60s make up 30% of all people.

Mature families, with parents in their 40s-50s and teenage children are also a dominant group.

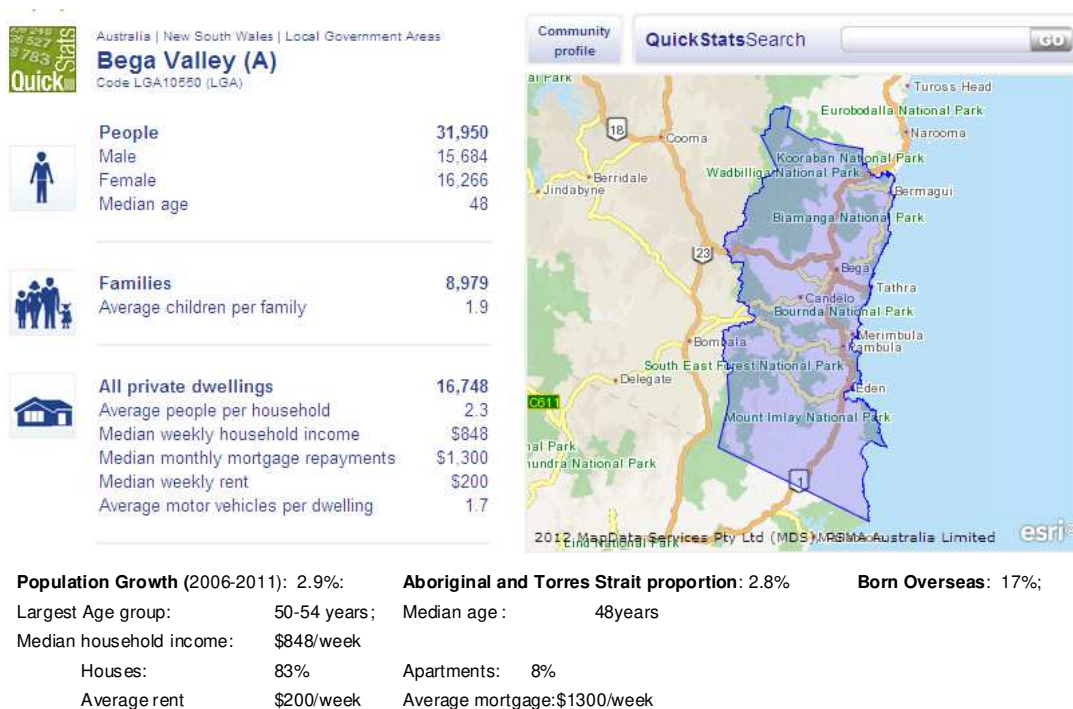
There are low numbers of people in their 20s and early 30s but the proportion stabilised between 2006 and 2011.

Of our population, approximately 25%% live in rural areas outside identified towns or villages.

Our Shire has six main towns/residential areas and 12 smaller villages and hamlets. This diversity creates a rich social mix as well as facility and service issues for government.

The percentage increase/decrease in populations, broken down by the smaller towns and villages, since 2006 Census is not currently available, but trends shown from 2001 - 2006 are expected to continue, with the scale of movement, posing many challenges in terms of service delivery. The current [Delivery Plan \(page 12\)](#) *Bega Valley 2011-2016* identifies the Settlement and Services hierarchy, which sets the basis for consideration of meeting these challenges.

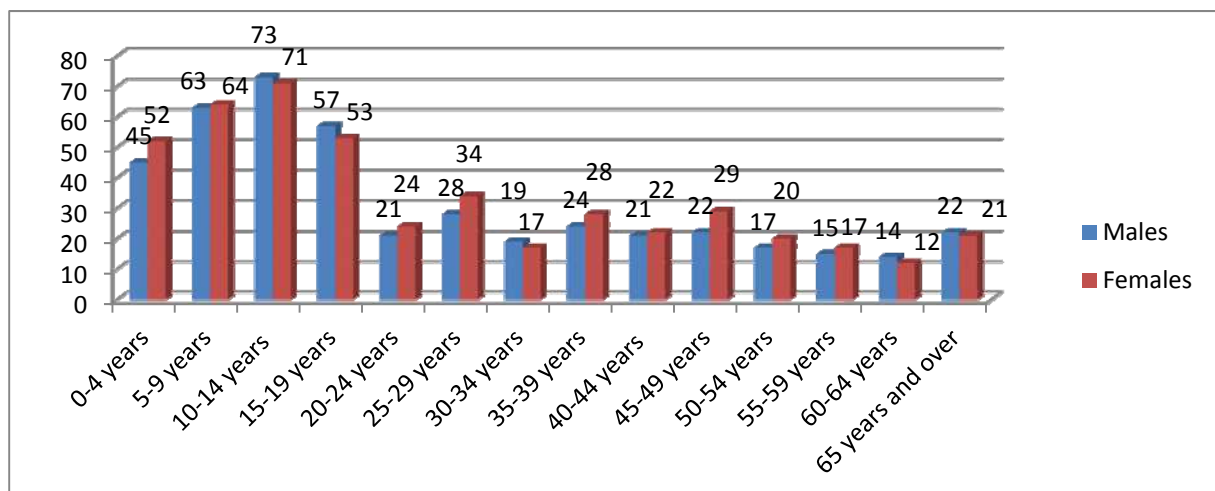
¹ Note that the 2011 Census figures released on 21 June have not yet been adjusted for people overseas – typically, this figure can be increased upwards by 4% for the Estimated Residence Population.



Our Indigenous Community

At the time of the 2011 Census there were 905 Aboriginal and Torres Strait Islander people in the Bega Valley Shire. This is an increase of 90 or 11% on the 2006 figures (815). Aboriginal and Torres Strait Islanders constitute 2.8% of the Bega Valley Shire's population, an increase of 0.2% on the 2006 position.

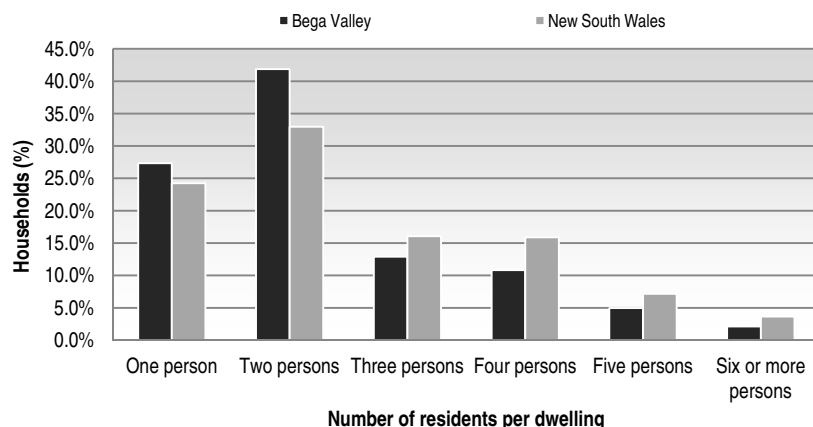
The following chart shows the age distribution of our Indigenous population.



Our Households

Bega Valley has a large share of lone person and older couple households. 69% of all households have 1 or 2 persons. 3-bedroom separate houses are the dominant dwelling type, but there were increases in medium density dwelling formats as well.

The following chart shows the percentage of households with between one and six individuals.



There are lesser numbers of large households, and between 2006 and 2011, the number of 4 and 6 person households declined while 5 person households remained stable. Average household size declined from 2.38 to 2.29 in this time, which was quite a large reduction, considering that across NSW it rose marginally (2.55 to 2.56).

The types of dwellings which are available in an area are important determinants of the type of households who will live there. Like most regional areas, Bega Valley is dominated by separate houses, which make up 79.5% of all the dwelling stock. Though there is no high density housing, there is a considerable amount of medium density (16.9%, close to the NSW average of 17.4%), and this category has increased proportionally between 2006 and 2011. Bega Valley also has a significant population living in Caravans, Cabins and Houseboats, which comprise 2.3% of the dwelling stock.

Our Homes

Figures based on weekly rent show that accommodation costs in the Bega Valley Shire are approximately 33% cheaper than the State average. Based on monthly mortgage costs, accommodation is approximately 35% cheaper.

Of houses in the Bega Valley Shire, 44.3% are fully owned, 23.8% are rented, and 28.3% being purchased and 3.6% are public housing

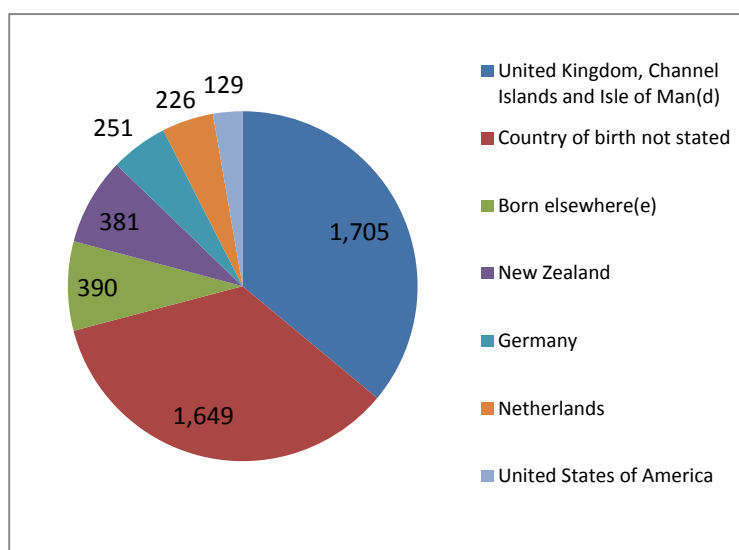
Based on median figures, mortgage repayments in the Bega Valley Shire in 2011 were \$1,300 a month, 35% lower than the State average of \$1,993 a month, which indicates home ownership is high, and mortgage/rent stress is moderate compared to other regions.

The median weekly rent in Bega Valley was \$200 in 2011, lower than the \$220 average for Regional NSW and \$300 for NSW, but up from \$160/week in 2006.

The significantly lower rents and (particularly) mortgage repayments mean that the lower incomes in the Shire are likely to have less impact on disposable incomes of residents than it would appear purely by looking at the income

Where We Come From

The graph below shows the top five overseas birth places of people in our community:



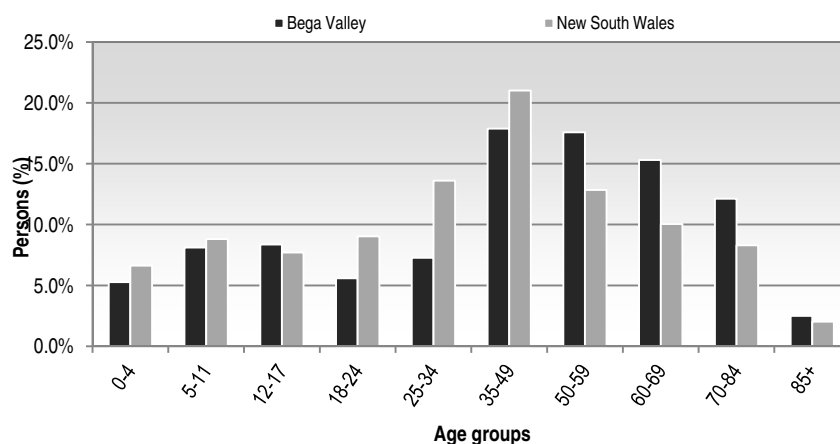
Bega Valley does not have a large population of non-English speaking background. While there is a relatively high proportion of the population from the UK and New Zealand, only 2.9% of the population spoke a language other than English at home in 2011, just slightly up from the 2.7% recorded in 2006.

* Based on Total Population figure of 31,950

Our Age Profile

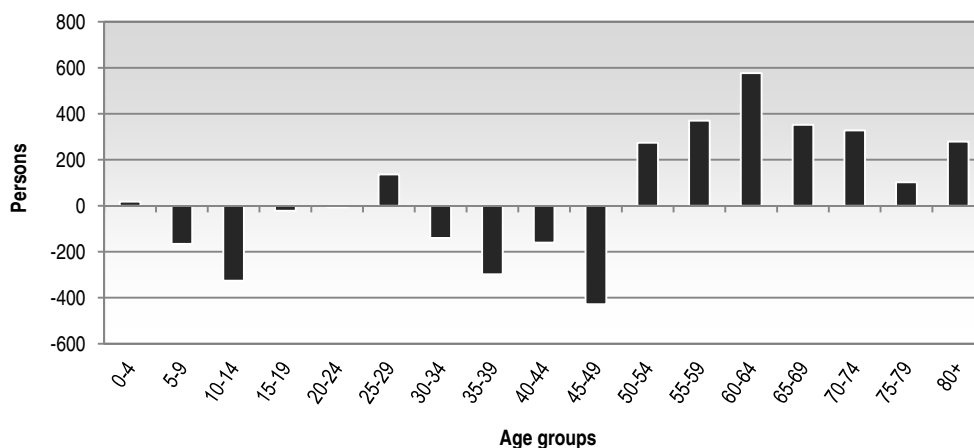
The chart to the right shows the relative age structures of Bega Valley Shire compared to New South Wales in 2011.

For planning purposes, these are grouped into children, youth, family and seniors cohorts.



The age structure displays a pattern characteristic of “mature families” and “empty nesters” – that is, older parents with teenage children, and retirees in their 60s without children. There are significantly fewer people between the ages of 18 and 30 in the Bega Valley, which is typical of most rural areas without a university. Young adults leave home and often leave the area, attracted to major cities and large towns with tertiary institutions, diverse job opportunities and entertainment. This leaves a low proportion of young people in the Bega Valley.

The following chart shows how the age profile of our Shire has changed between 2001 and 2011. Essentially the chart shows the continuing loss of adults and the continued ageing of our population.



Our Schooling and Education

Bega Valley has lower levels of tertiary qualifications but high levels of vocational qualifications.

Qualifications for the residential population overall are higher than for the working population, probably due to highly qualified retirees.

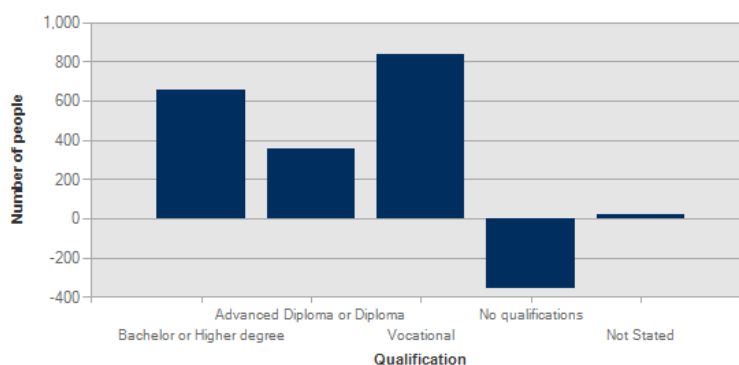
There is a very low level of university attendance.

Information on qualifications is not available from 2011 Census until the second data release in October 2012.

However, the 2006 Census shows that 2,692 people in Bega Valley had a Bachelor Degree or higher qualification. This represents 10.6% of the population, below the NSW average of 16.4%, but actually above the Regional NSW average of 10.4%. In addition there is a higher proportion of people with vocational (trade) qualifications (higher than both the NSW and regional averages), and a similar proportion with diplomas. This means that the proportion with no qualifications at all was 49.6%, only a little above 45.6% which was the NSW average.

Between 2001 and 2006, in line with a national trend, the number of people with university qualifications increased substantially, though not as much in Bega Valley Shire as those with vocational qualifications.

Change in highest qualification achieved, Bega Valley Shire, 2001 to 2006
(Enumerated data)



Source: Australian Bureau of Statistics, 2006 and 2001 Census of Population and Housing (Enumerated)

Our Economy

According to the economic modelling developed by the National Institute for Economic and Industry research the Gross Regional Product of Bega Valley in 2010-11 was \$1,003 million, or just on 1 billion dollars.

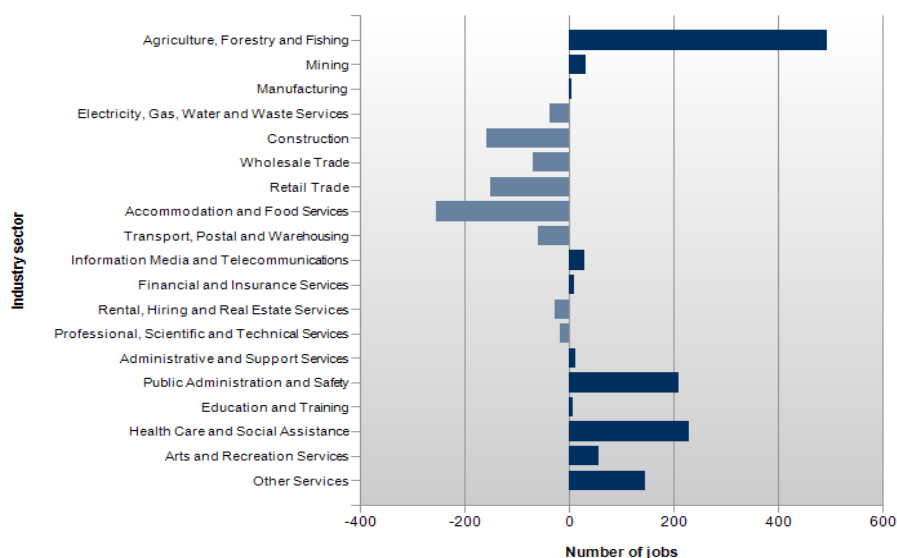
The economy has grown from \$704m in 2001, an increase of 42.4% in 10 years, independently of inflation. However, since 2006, growth has been fairly slow, with an increase of only 7.0%, in line with slow growth of the whole NSW economy in that time period.

In 2011, the Bega Valley Shire provided a total labour force of approximately 13,158 people, an increase of 449 (or 3.53%) since 2006.

The rate of unemployment for the Shire, in December 2011, was 3.7% compared with the State rate of 5.4%, and down from 6.0% in December 2006.

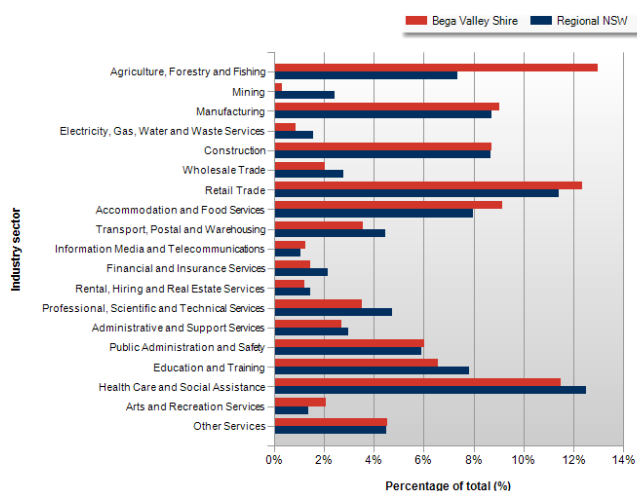
The main industries responsible for the change is shown in the Figure on the right.

Change in employment by industry sector, Bega Valley Shire 2006 to 2011 (ANZSIC 2006 - Latest industry classification) - Estimated



Source: National Institute of Economic and Industry Research (NIEIR) ©2011 Please note that NIEIR modelled estimates are subject to change and review for the most recent two financial years.
Modelled data - All \$ values are represented in constant 2008-09 year dollars

Employment by industry sector, Bega Valley Shire and Regional NSW 2011 (ANZSIC 2006 - Latest industry classification) - Estimated



Source: National Institute of Economic and Industry Research (NIEIR) ©2011 Please note that NIEIR modelled estimates are subject to change and review for the most recent two financial years.
Modelled data - All \$ values are represented in constant 2008-09 year dollars

By employment the largest industries are retail trade (1,626), Accommodation and Food Services (1,204) and Manufacturing (1,188), although Retail Trade and Accommodation decline in importance, when based on FTE figures, with the largest industries being Agriculture, Forestry and Fishing (1,732 -16.1%) and Manufacturing (1,166, 10.8%).

By "value-add" (the amount an industry adds to its inputs to produce its outputs, or gross profit margin) Manufacturing is the largest industry in Bega Valley, contributing \$123m to the economy, ahead of Agriculture (\$87m) and Construction (\$87m).

The median *individual* income in Bega Valley at the 2011 Census was \$454 per week, well below both the NSW (\$561) and Regional NSW (\$490) medians, however it is an increase, from \$368 in 2006, of over 23%. Individual income is affected by the number of elderly people on pensions and does not account for wealth tied up in housing.

Looking at *household* income, the median was \$848 per week, again, below the Regional NSW median of \$961 per week, but an increase on the 2006 figure of \$697, or 21%. This is affected by the small household size in Bega Valley, dominated by retirees who may be self-funded or on the pension, but are unlikely to have multiple employed income earners.

These changes are significantly greater than inflation, and indicate a strong growth in the economy.

Our Council

Council is a local statutory authority with powers and responsibilities conferred from State and Federal Parliaments. The main piece of legislation that details the powers of local Councils is the *Local Government Act 1993*.

Council provides a range of day-to-day services for our community and is responsible for issues that affect our daily lives. It does this through a structure that is governed by nine Councillors, elected every four years, and led through the Mayor. Councillors provide political leadership, establish policy and strategic direction for the organisation and determine the annual rates and charges. There are no wards or ridings in the Shire so the nine Councillors are elected by voters from across the entire Shire.



Back: Councillors Russell Fitzpatrick, Keith Hughes, David Hede, Paul Pincini and Pat Campbell.
Front: Councillors Graeme Wykes, deputy mayor Michael Britten, mayor Tony Allen and Liz Seckold ,

The current Council was elected in 2008, with Cllr Russel Fitzpatrick being elected through a by-election in July 2010, after Cllr Adrian Sandrey resigned.

The Council elects the mayor and deputy mayor annually. Councillor Tony Allen was re-elected as Mayor of Bega Valley Shire Council in September 2008 retaining the position ever since.

Click [here](#) for more about Councillors and their role in representing the community.

Council's General Manager, Peter Tegart is responsible for the implementation of Council's policies as well as the administration and management of all Council day-to-day business. The General Manager reports to the Council (Councillors).

The General Manager is supported in his role by three group managers and an organisational structure managed by senior, professional staff. In addition, community groups, management committees and volunteers play an important role. The structure operates in line with governance rules and principles, defined under the *Local Government Act 1993*, specific State and Federal Legislation and, in particular, the Council's adopted Code of Conduct.



(Left to right) **Peter Tegart**, General Manager, **Leanne Barnes**, Group Manager Community and Relationships, Tracey Hicks, Executive Manager (2010/11), **Wayne Sartori**, Group Manager Infrastructure Waste and Water, **Andrew Woodley**, Group Manager Planning and Environment

Financial Summary

Over the period, financial management within the Council has been transformed to accord with our adopted position as an “Optimalist Council”, taking a progressive approach in delivering and coordinating, along with our partner organisations, the services and ambitions expressed by the community.

We are far clearer now than ever before, on the role we play as a provider, sponsor, agent, broker, contractor, donor, advocator or partner in delivering services, and, as an organisation, are proactive in the way in which we drive forward the community agenda.

Significant achievements have been made in the manner in which we manage and prioritise the expenditure and allocation of resources with a view to maximising return on investment, in a transparent and accountable way, reporting back to the community, and feeding back into our own organisation, always striving for continuous improvement.



Figure: Continuous Improvement Loop

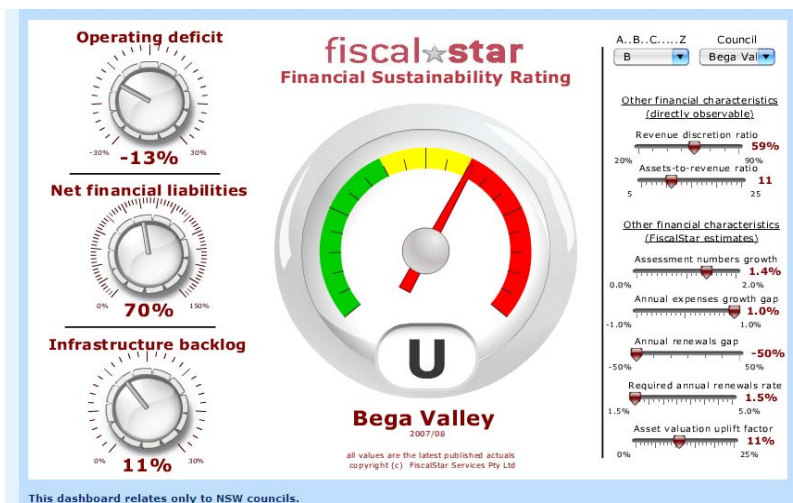


Figure: Outcome Summary; Bega Valley Shire Council (2007/09)
Financial Sustainability Rating (source: Review Today [website](#))

In 2010-2011, Council engaged Review Today, a consortium of consultants, to undertake a detailed asset and financial sustainability review, which provided a key input into the development of the Council's models of its Long Term Financial Plan.

The Long Term Financial Plan

In concert with the ‘Responsible Scenario’ recommended by Review Today following their assessment, Council amended its financial policy to shift funding towards infrastructure renewal by:

- Assigning general rates and utility charges, and tied grants and contributions, to asset maintenance, renewal and operations
- Assigning fees, charges, grants and other contributions to non-infrastructure and support services, including the financial assistance grant
- Assigning debt, capital grants and contributions to new assets, where debt was supported by new revenues (i.e. rate increase, contributions or dividends)

Strategic actions identified in the Delivery Plan, [BV2011-2016](#), and continuation of existing services as per Council's Level of Service (LOS) statement, have been reviewed having regard to the:

- infrastructure backlog,
- scale of flood renewal works,
- predicted demand and opportunity for growth in services,
- scale of annual revotes (incomplete works and projects),
- size and movement of annual surpluses and reserves, and
- existing and potential cost recoveries

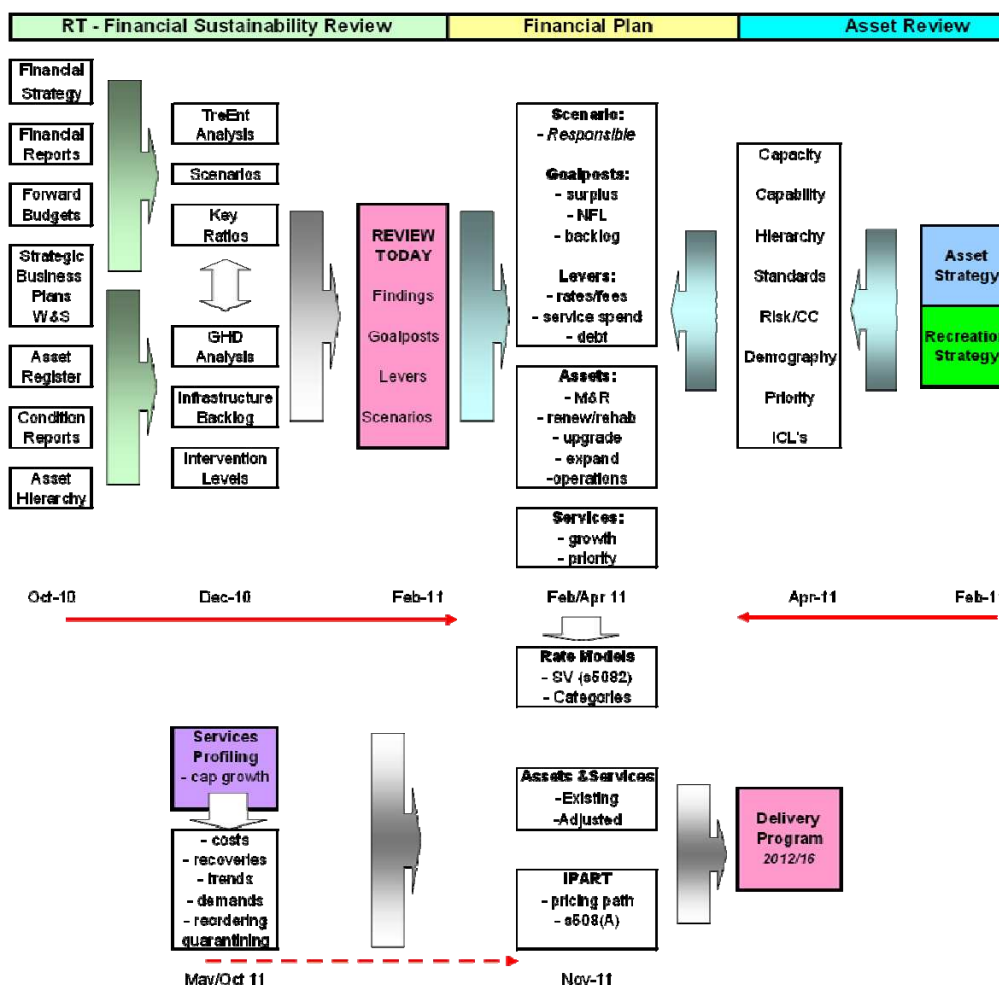
Council's adjusted LOS is a clear and unambiguous statement of the services and activities that Council carries out day-in and day-out throughout the year, every year.



Figure: Mayor Tony Allen takes receipt of the Independent Financial Review undertaken.

The revised principles, in the LTFP, focus on:

- Shifting all general rates and annual charges (other than special levies raised for services) to be expended on asset operations, maintenance, renewal and upgrade
- Renewals schedule adopted with Asset Management Plans (AMP's) and major projects (including asset upgrades) (based on asset renewals over 20 years)
- Sale of surplus operational parcels of land
- Conservative assumption that real estate developments in CBDs are cost neutral, but deliver community returns such as new or replacement facilities or public domain
- Placement of annual surpluses into asset cash reserves, and through their accumulation, buffering increases in rate variations and potential reduction of volunteer support maintaining and managing community assets
- Optional utilisation of dividends (water and sewer operational (up to 50%) surpluses) for urban works, servicing debt or subsidising community infrastructure projects, and
- Provision for a 20 year forecast.



As a result, instead of² general rates increasing 2.2% above CPI each year; Water and Sewer charges increasing 2.6% above CPI each year; and raising interest only borrowings to \$18m, the revised LTFP proposes:

- two special general rate variations of 2% above LGCI in 2013/14 and 2015/16 for infrastructure renewal debt service (\$900k), and retention of the recreation special variation that expires in 2014/15 for recreation renewal (\$450k),
- water, waste and sewer charges retained at CPI/LGCI only, subject to councillors decision on options for water filtration plants, sewerage extensions and waste AMP
- less borrowings of \$11.5m peaking at \$16m, paid as principal and interest over 10 years

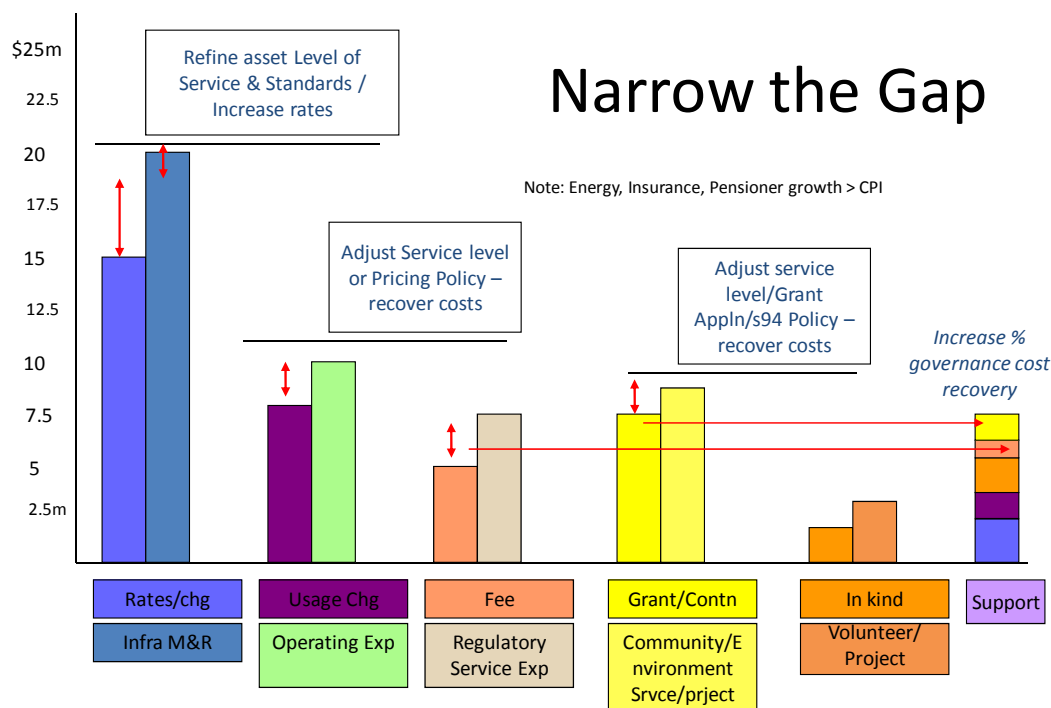
Essentially, the targets or 'goalposts' of the Responsible Scenario remain in place, however the Levers have changed with the revised LTFP.

² As originally adopted in June 2010, and subsequently revised in June 2012

Financial Achievements

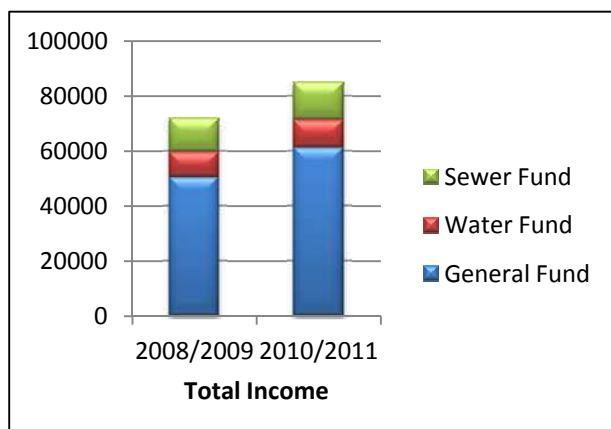
Summary high level achievements include the following:

- Financial Strategy and supporting procedures adopted in 2009
- Asset and Financial Sustainability Review carried out during 2010-2011, informing the Long Term Financial Plan
- Budgets and reporting framework reshaped after adoption of Community Strategic Plan key themes
- Quadruple bottom line (QBL) reporting and accounting framework developed to assist communication of Council's expenditures and investment categorised into environment, social, economic, infrastructure and governance
- Web based economic profiling and forecasting information available with the most up to date census data, as well as modelling data
- LTFP reviewed November 2011 and again in June 2012
- Business Growth Strategy for the region initiated
- Well developed asset management plans in place which are costed, and form an integral part of all budget considerations, and
- Adopted 'Narrowing the Gap' Principle: progressive matching of infrastructure, maintenance, operating and renewal costs to rates and associated charges by a combination of managing expenditure, optimising revenues and capping asset standards



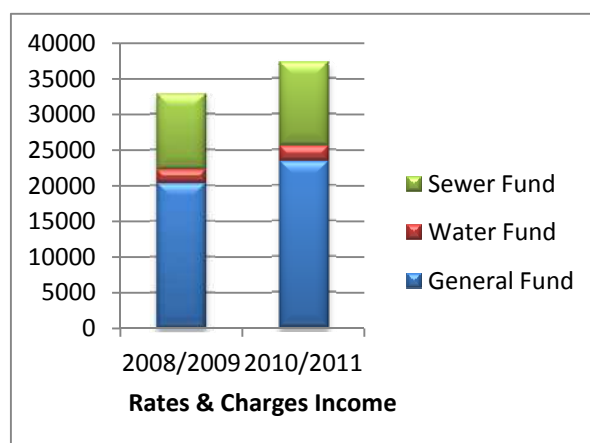
Income and expenditure

Bega Valley Shire Council has an annual operating income of approximately \$85million, an increase of just over 20% on the 2008-09 figure:

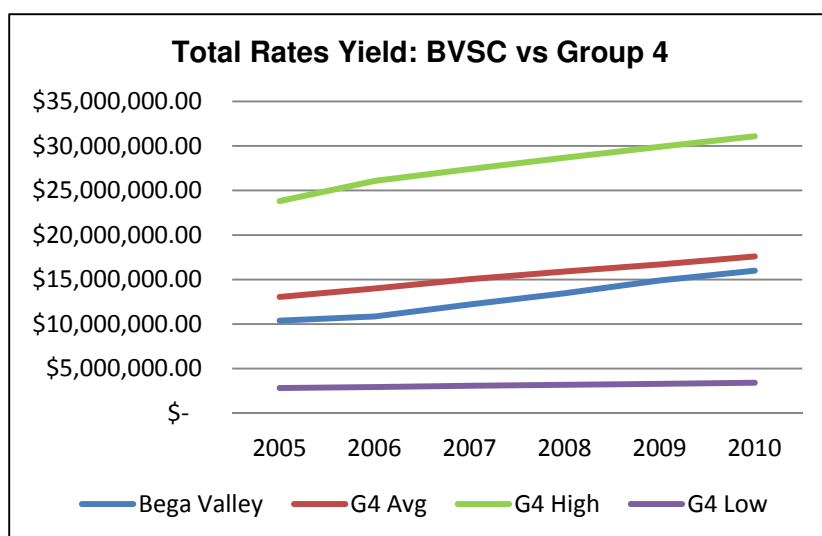


- Council has adopted a full fee recovery philosophy in its Financial Strategy which has seen Fees and Charges increase year on year.
- Council has increased size and scope of grants to deliver services to community over the term of this Council, recovering full costs of the service in combination with fees

During the term covered by this report, the Minister for Local Government and subsequently IPART approved four special rate variations to general income. Council was also subject to a rateable land revaluation and saw the shifting of the Rate Pegging methodology to the IPART Local Government Cost Index. All of these factors played a part in seeing Council's rates and charges income increase from approximately \$32m to \$36m

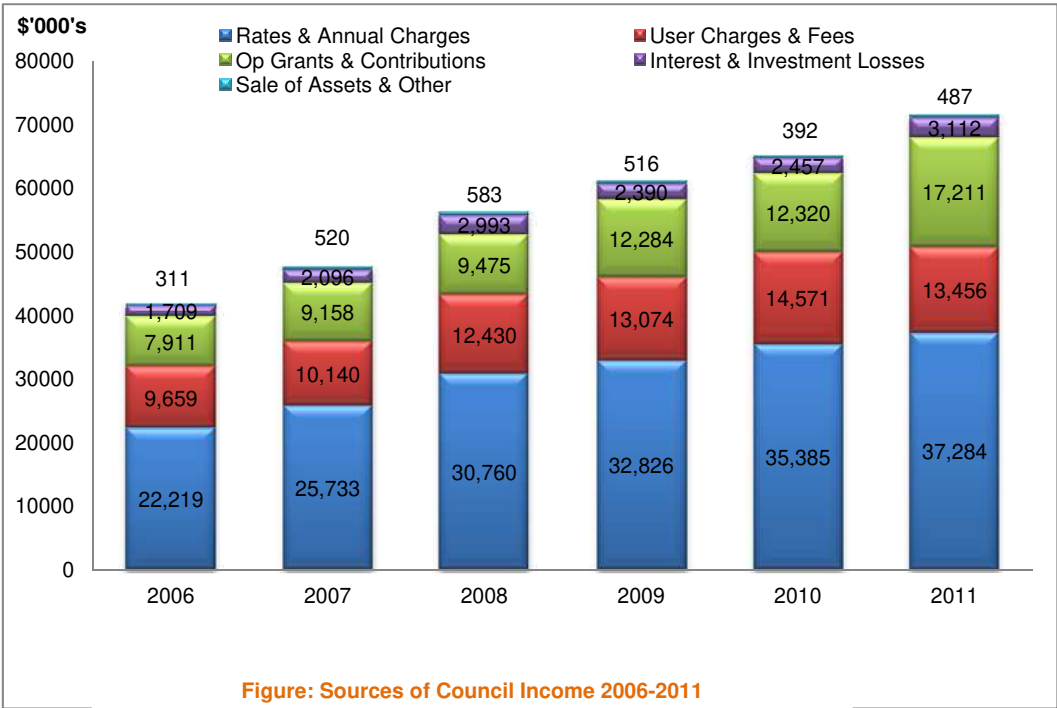


Group 4 is a term used by the State Government denoting similar councils to BVSC in terms of size, location, population, etc to allow for reasonable and accurate comparatives.



The graph left, illustrates that while Council has made efforts to increase its rate yield over the past few years, it is still well below the average for other group 4 Councils.

The ‘Sources of Income’ Chart (below) illustrates a consistent trending of Bega Valley Shire Council’s revenue over time.



The following table shows a percentage breakdown of the typical income sources, There are no significant changes over the term of this report:

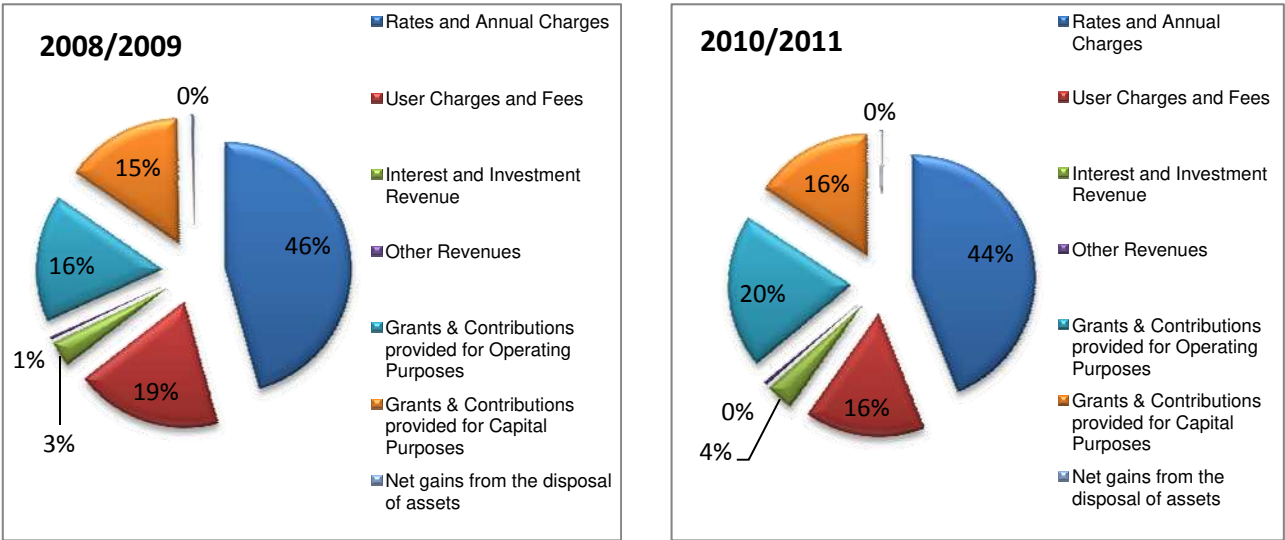


Figure: Comparison of Sources of Income 2008/09 compared to 2010/2011

Interest and Investment Revenue

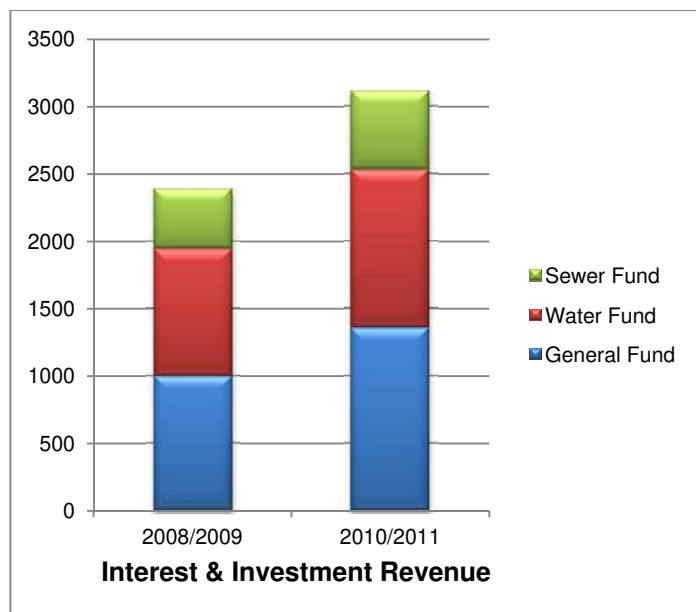


Figure: Return on Investment (\$,000):

The graphs illustrates Council is achieving a good return on its investments, and has increased yield.

Council's investment policy dictates that it only invests in cash products with reputable institutions.

As a result Council received no adverse investments during the Global Financial Crisis, and in fact, Council was able to benefit from the domestic banking situation whereby financial institutions were looking to invest in domestic organisations, hence a major reason why council's investment yield has grown significantly over time.

As Council grows its investment yields, these funds are used to fund Council's future capital needs as per the adopted AMP's.

Expenses

Council has seen a rise in its operating expenditure due mainly to the increased services Council has taken on over the past few years.

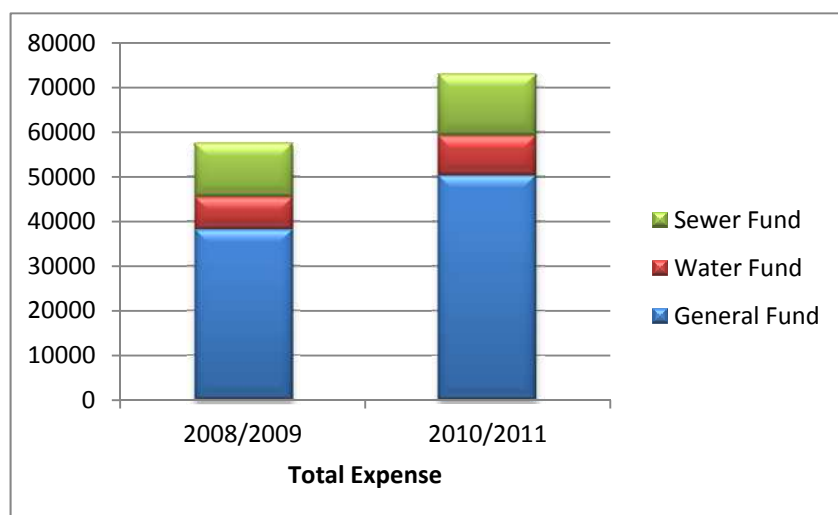


Figure: Increase in Expenses (\$,000)

Increase is attributable to considered, reasonable operating priorities

There are numerous operating reasons for the increase in expenditure, and each has been managed with due consideration.

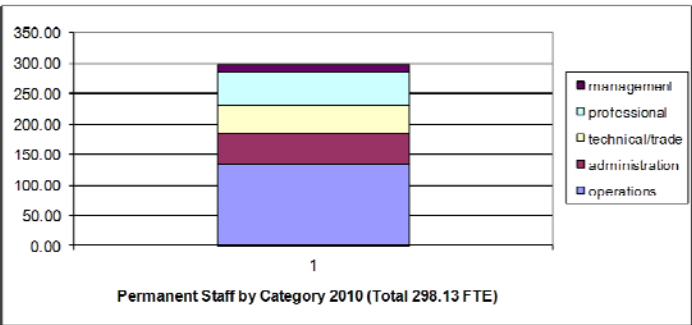
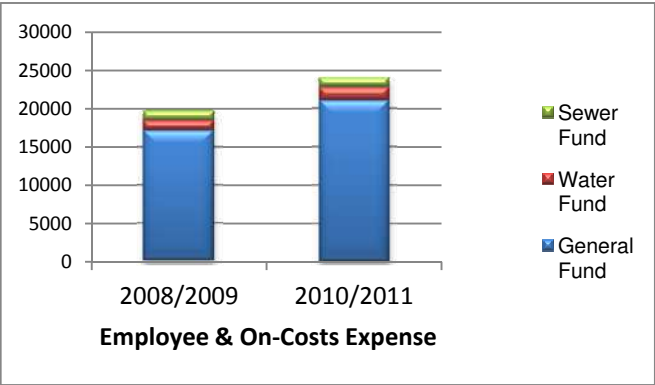
For example, Council has "taken on" a number of childcare facilities which otherwise would have closed, leaving entire villages without appropriate childcare services. Those services are 100% funded by fees and grants.

Council also returned management of each of its waste facilities back from contract. Savings from the waste facilities and collection contracts exceeds \$1m.

Council's community services also experienced significant growth in line with contracts placed with government.

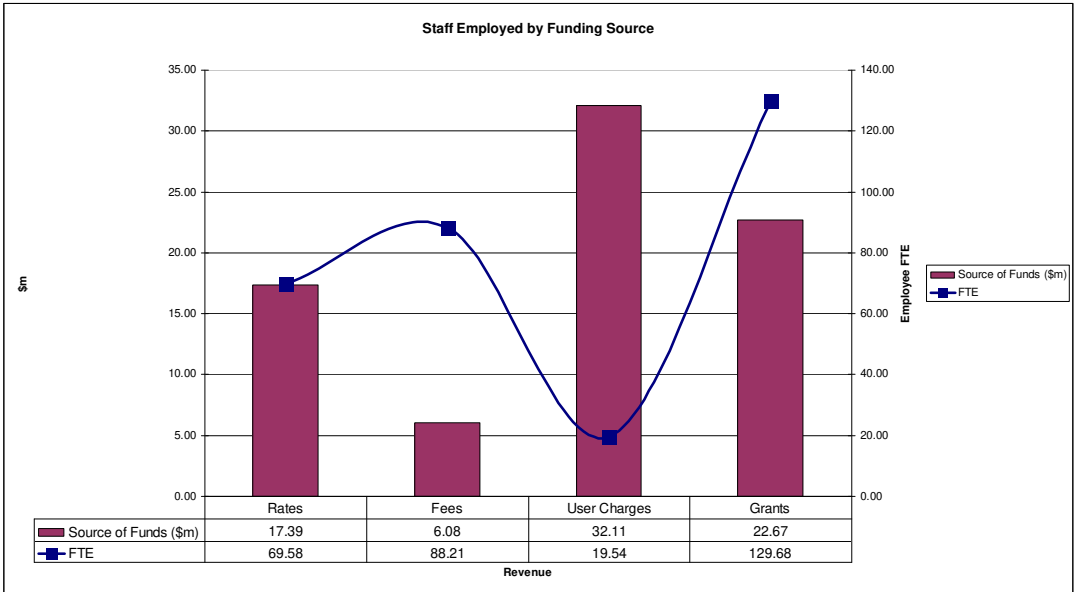
One of Council’s major expenditure items are employee costs.

Whilst, over a period of time, Council’s employment costs have increased, it has been possible to *reduce* the burden of entitlement costs, through managing a staff cap, enabling employment costs as a portion of operating costs to reduce from 29% to 26%.



Managing employee costs to the Council, is carried out through a combination of better management of leave periods, illness cover, application of staff to service delivery and operating hours, maintenance of staff categorised and ratio of staff to Full Time Equivalent positions (FTE).

A key focus of managing costs of employees to the Council is through apportionment of costs to sources of funding. Council funds staff through a mixture of funding from rates, user charges, fees and a large element of grant funding, demonstrating an excellent return on investment to the community, in terms of delivering services. The following graph demonstrates this apportioning against rates, fees, charges and grant funding sources.



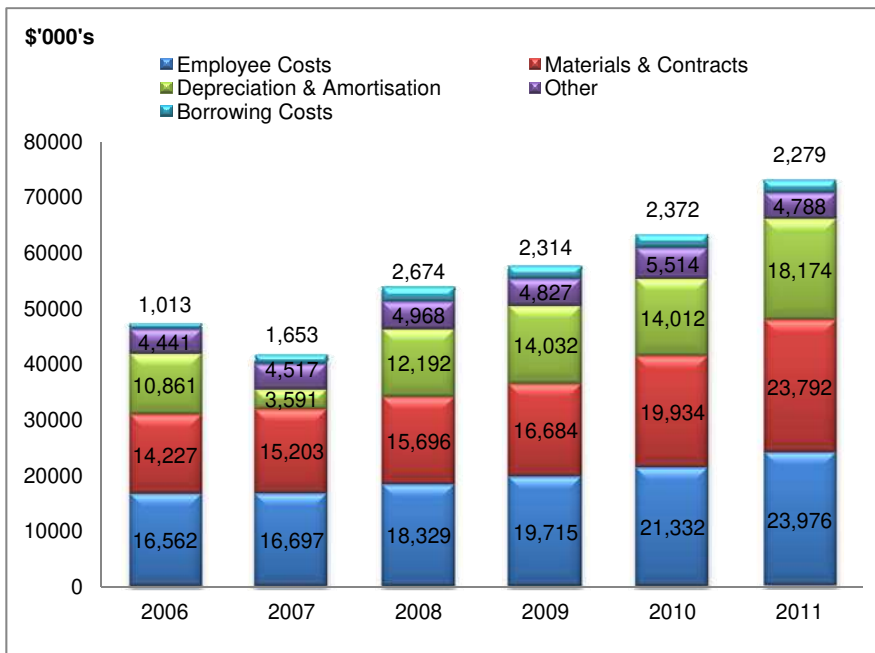


Figure: Council Expenses

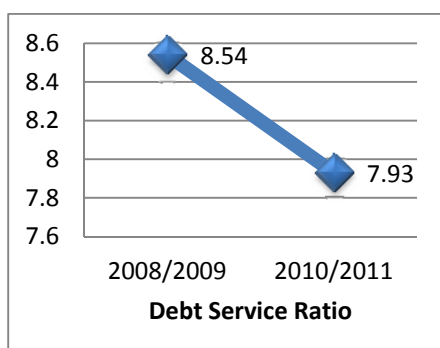
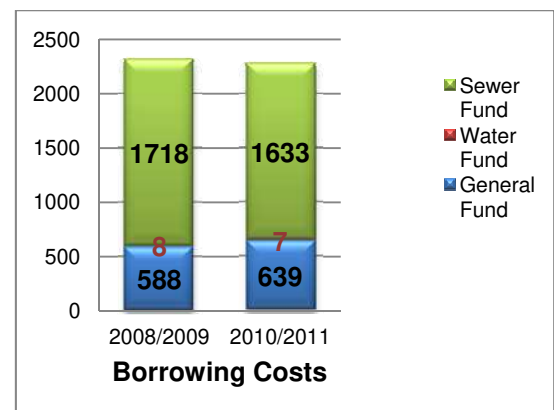
Expense of Materials has also seen an increase over the term of this report (left).

Council has a very large asset base of over \$1.25b. As illustrated in Council's adopted AMP's, Council's maintenance costs will continue to rise until the AMP and LTFP can begin to address our backlog issues by putting more funds into capital renewals.

Council expect this to begin to level out over the next term of this report.

Debt

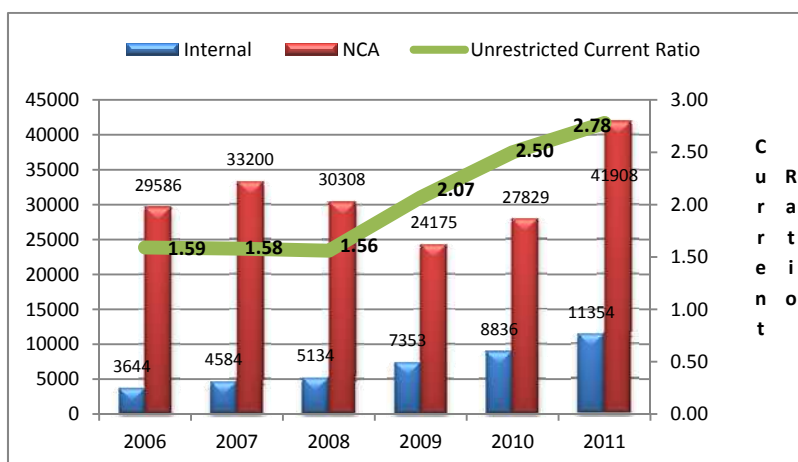
Prior to the commencement of the term of this report Council entered into a large capital project to sewer a number of smaller villages in the Shire. A large portion of this project was funded by loan borrowings in Council's Sewer Fund, clearly showing in the analysis of Borrowing costs (right).



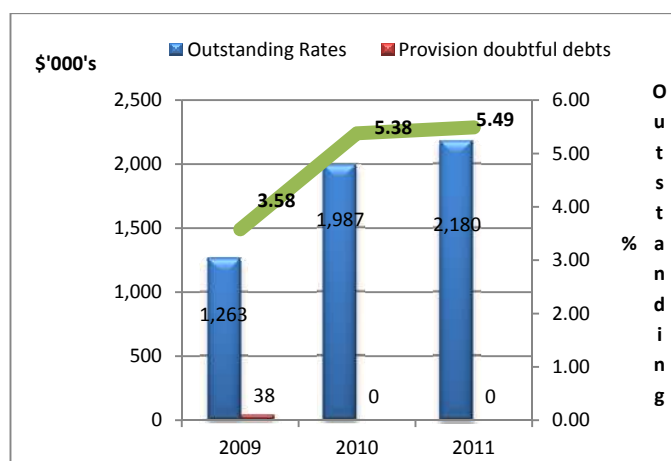
Councils Debt Service Ratio

Over the period the amount being paid to service debt (principal and interest) compared with income, has improved, again demonstrating prudent financial management and a focus on managing our resources sustainably, as shown left: Debt Service Ratio 2008/9 – 2010/11.

The **Current Ratio** (right in bold) is a measure of a Council's theoretical ability to meet its financial obligations, such as paying for goods and services supplied and meeting employment entitlements.



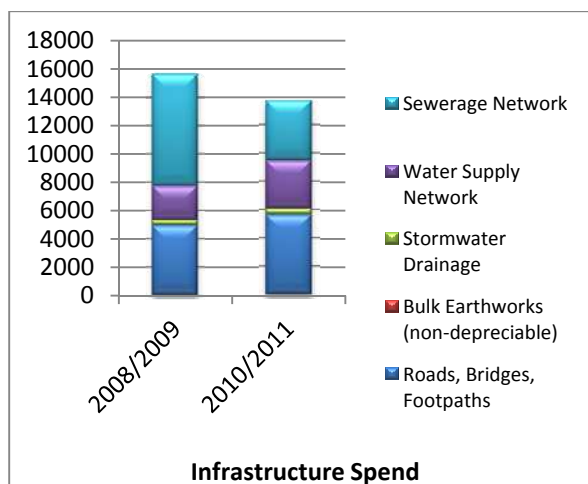
Similarly, **Outstanding Rates** are an important measure of Council's income.



An outstanding rate of less than 6% is considered by the Division of Local Government to be the benchmark for good debt management. The graph (left) clearly indicates that Council has maintained this position throughout the period.

Asset Management

The graph below illustrates how Council has traditionally spent its money maintaining its asset base, the major shift showing the effect of the major Sewer Project in 2008/09, in the Sewer Fund, and the major Yellow Pinch Pipeline in the Water Fund in 2010/2011.



Council has increased its spend on asset renewals over the term of this report (left).

Under the new approach to managing assets, Council has:

- Prepared AMPs for Transport, Waste, Recreation, Buildings, Sewer and Bridges
- Established a hierarchy of standards and levels of service
- Determined the backlog, and
- Scheduled investment.

This will see significant investment in the renewing of its assets over the next twenty years, with spend stabilising over time.

Special Variations to General Revenue

Over the period 2008 to 2012 BVSC has consulted with the community, and raised a number of special variations to general rate revenue. These are for specific, defined purposes.

Year	Funding Raised (A\$)	Special Variation (+Rate Peg %)	Items funded
2008/09	\$887,720	9.33% (including rate peg of 3.2%)	Ongoing increase approved for rehabilitation works on rural sealed roads, bridges and culverts; footpath trip hazard, recreation buildings and pools, support of ocean lifeguards, urban street construction and kerb and guttering.
2009/10	\$450,000	6.51% (inc. 3.5%)	Five years approved for expenditure on sports and recreation infrastructure and access to these facilities.
2010/11	\$583,000	6.35% (inc. 2.6%)	One year approved for tourism development through support to Sapphire Coast Tourism Inc and funding for the redevelopment of the Merimbula jetty. The impact of this variation on residential ratepayers was significantly reduced due to the concluding of a special variation from 2000 which was granted for ten years
2011/12	\$584,148	6.29% (inc. 2.8%)	A special variation was approved by IPART under the new assessment process. It continued the 2010/11 approval for tourism and the resurfacing of the tarmac at the Merimbula airport. Approval for 20 years. The amount of variation also includes an amount of 0.14% for a 'Crown Land Adjustment' which the Council is able to apply for under the Local Government Act 1993 and which the Division of Local Government recommended be included in the Council's special variation approval.

Major Achievements

The 2008/112 End of Term Report is the first report produced to provide a snapshot of Council's success, and progress against the Community Strategic Plan BV2030, in terms of socio-economic, environmental and government conditions and pressures with which it is confronted in undertaking its duties to the community of the Bega Valley Shire.

The report can be used as a source document for the community, potential residents, investors and businesses, educators and government agencies, as well as visitors to the Shire.

It will be a reflection of the Council's commitment to achieving the aspirations of the community articulated in BV2030.

Major Achievements will be reported and described in terms of identifying the challenges, issues and progress as well as outcomes for the community.



Ongoing **Service Delivery** is not forgotten.

Repairing pot-holes, fixing footpaths, providing library services, community services, the Regional Gallery, environmental services, and services for children, young people families and older residents, clearing drains, maintaining water supplies, sewerage treatment, managing noxious weeds, providing engineering, design and development services, over-seeing State and Federal legislation, providing customer service and much more, is all part of the day-to-day activities carried out and delivered by our dedicated and committed work-force.

Bega Valley Shire Council, is a rural Shire of medium size, in a geographically varied environment. The area has an ageing population and evident skills shortages. Council directly delivers services, acts as an 'agent' under contract from Federal and State Governments to deliver funded additional services, and undertakes regulatory functions. The achievements made, and quality of outcomes, come in the face of significant challenges.



Capital Projects

Undertaken by Council acting alone, or in collaboration with State, regional or private partners, Capital Projects are those that help maintain or improve our regions assets or infrastructure. Council projects include:

Flood Damage Response

Shire wide, Council has experienced three severe floods in 2010, 2011 and 2012, each of which was declared a State natural disaster.



During the period, over \$35 million has been spent on restoration works, and whilst this has seen a significant increase in workload for Council, we have been highly successful in responding to the emergencies and addressing the damage incurred, operating a full restoration programme, whilst dovetailing works, wherever possible, with ongoing operational works of the Council. . A full report can be seen on our [website](#).

Community Works

"Community Works" is the name given the project approach utilised by the Bega Valley Shire Council to utilise Federal government funds provided to local government through the \$1.043 million Regional Community and Local Infrastructure Program (RCLIP). Bega Valley Shire Council's approach aimed to create community ownership and input and to add value through community funds, other grants, donations and volunteer effort to expand this infrastructure program.

Local groups and organisations combined with the Bega Valley Shire Council to action social infrastructure projects which were ultimately completed with the assistance of the Federal Government's Regional Local Communities Infrastructure Program (RLCIP). To celebrate the success of this relationship the Council worked with the local TAFE and schools to record the progress of the 29 projects, culminating in a photographic exhibition, which runs in the Council foyer, showing local people working with Council staff to achieve community outcomes.

"Show me the Money"

A follow on initiative, 'Show me the Money' was prompted by Councillors, who felt it important to record the RLCIP process and project outcomes in a film to acknowledge the community's involvement in the various projects creating a sense of ownership on the part of young people in particular, which could in turn reduce the potential for damage to the infrastructure.

Bermagui 'Blue Pool' Swimming pool

This well used community resource has undergone a transformation nothing short of spectacular. In its 'old' condition, the pool, and its surroundings, were drab, poorly maintained and in danger of falling into a complete state of disrepair.

Following a \$600,000 renovation, the pool has been restored to a superb condition. Along with the changing facilities, car-park viewing platform and surrounding seating areas, it provides an ideal location for people of all ages to enjoy the splendours of the sea in a natural, but enhanced, environment.



View of the Bermagui 'Blue Pool' and seating area

Boat Ramp Merimbula and Public Jetty

Identified as a major capital project (\$1 million), the upgrade of causeway boat ramp was initiated in 2011. The public jetty project was also completed at a cost of \$1 million.



Bega Town Hall and Littleton Gardens remain a high profile project. Council, over the period has taken these two town centre projects to a point where redesign has now entered its second stage, with the call for tenders for expressions of interest for redevelopment of the Town Hall and commencement of works in Littleton Gardens to achieve the adopted master plan.

Master planning work for the Littleton Gardens, has undergone considerable public consultation with substantial interest from the community.

In reaching this point, Council has been required to make some difficult decisions, and has had to demonstrate leadership and strength in addressing the fundamental under-lying issues we are confronted with.

Whilst by no means a done-deal, Council is certainly at a significantly advanced stage in determining long term proposals for this key strategic asset, which will bring benefit across our region.

Example design schematic of Bega Town Hall and Civic centre



Yellow Pinch Pipeline



Laying the Yellow Pinch Pipeline

With an investment of over \$25 million, this project has seen the development of a facility which 'future-proofs' our regional water supply for decades to come, and opens up possibilities never previously available.

Tathra Wharf

Another unique asset within the Shire, Tathra Wharf has undergone somewhat of a transformation over the period, through a mixture of activities including major works, service delivery, and planned investment. The Wharf has seen significant capital investment works undertaken, not least of all through a response to safety requirements, but which has also seen the building strengthened and restored, the tenancy addressed, the building and service needs attended to, and the realisation of the significant potential housed in such a unique feature.



Merimbula Library

Opened on 14 December 2011, the new Merimbula Library, with panoramic lake views, offers not only a fantastic range of books and DVD's, but has computers available for use, and an ambience which is comfortable, inviting and conducive to learning and relaxing.

Available to the whole of the Shire, the Merimbula Library has been a great success with both the local community and visitors to the area. Membership and usage of the library has significantly increased since opening, and Council has reviewed opening hours to meet the growing demand.



Sapphire Aquatic Centre, Pambula

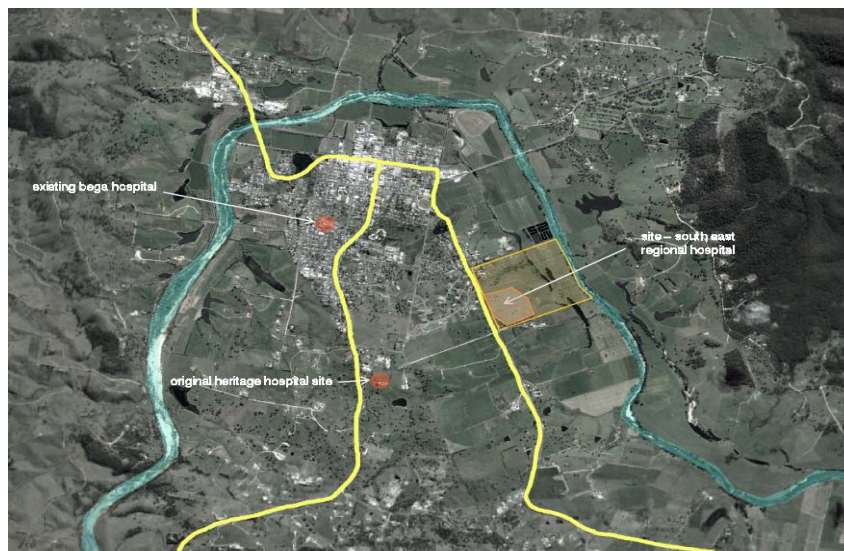
Following considerable community support and fundraising coupled with Council, State and Federal Government funding this year round facility opened in December 2010. Managed now under an arrangement with an independent body the facility incorporates a gymnasium, outdoor areas including fitness trail and playground with plans for the building of squash courts.



Strategic Capital Projects....

Initiation of the South East Regional Hospital Development

With budget allocation of approximately \$170m (\$160m from Federal Government and \$10m from State), this long-standing project has recently been commenced with the 'turning of the first sod', at the purchased site on Tathra Road, Bega.



Council assisted with identification of potential sites, and participates in the project control group, alongside the involved health authorities.

The hospital will offer advanced facilities for the region, with acute care, mental health services, and numerous specialities.

Construction will begin in 2013, with a scheduled completion date of 2016, and will see a transformation in the way that health services are offered and catered for in Bega Valley Shire and surrounding region.

Sapphire Marketplace Development:

Perhaps one of the most obvious and public capital investments (\$70 million) within our region for a number of years, the 'Big W complex' opened in Bega, in December 2011, and has seen the establishment of a first grade retail centre in the heart of our region.

Council facilitated the sale of Council/Crown land, and assisted in bringing the Bega RSL and Bega Valley Motors to the table with Woolworths, resulting in the major retail and discount department store complex coming to life.

The development provides for over 600 car spaces and has prompted the renewal projects for the Bega Town Hall and Littleton Gardens. In addition, there are now applications in place for Target and Masters Hardware, and the possibility of a further supermarket application.

A positive consequence of the incorporation of the Bega Valley



Motors showroom on the Sapphire Marketplace site, was the conservation, through sale and relocation of the 'old church manse', known more affectionately as the 'HACC Shack'

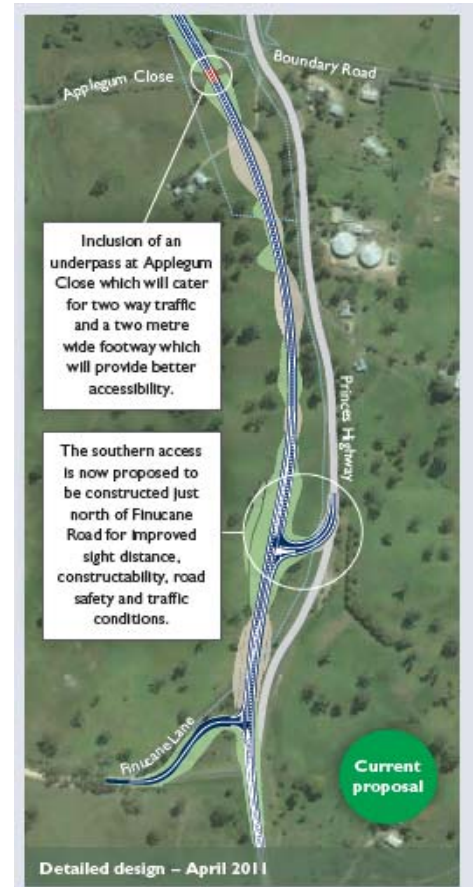
Similar developments including the **Tura Beach Woolworths** (\$30 million) have occurred across the region, with more proposed to follow in the years to come

Bega By-Pass Princes Highway

Currently budgeted at \$60 million, Council has facilitated the development of a by-pass for the Bega township which will see considerable benefits not only for Bega, but also for the region.

Whilst it is true to say that we are at an early stage in its completion – work began in May 2012 – Council has been instrumental in ensuring that this key project gained support and was started, showing the way for the considerable efforts still required for success.

Right: Proposed Bega Bypass Schematic
(source RTA Website)



Merimbula Airport Strategy

As one of BVSC's more strategic assets, the airport at Merimbula brings with it a unique set of challenges, as well as opportunities. Council has recognised this, and has taken the decision to maximise the option for enhanced accessibility, by commissioning the re-surfacing of the existing runway.

Further, recognising the real potential for our region, Council also enabled the consideration of longer term options, possible with an enhanced runway infrastructure, by simultaneously commissioning research which will inform the future strategic direction for the airport.



Earlier this year, the tender for the re-surfacing of the runway was advertised, and works are due to commence when the tender is awarded by Council as part of our planned investment in this valuable asset.



Eden Port

Another of BVSC's infrastructure assets, Eden Port offers one of the deepest natural port harbours on the East coast of Australia. Visited by passenger liners, Eden offers unrivalled access to extensive forest land, the Sapphire Coast, and the beauty of Australia's Coastal Wilderness.

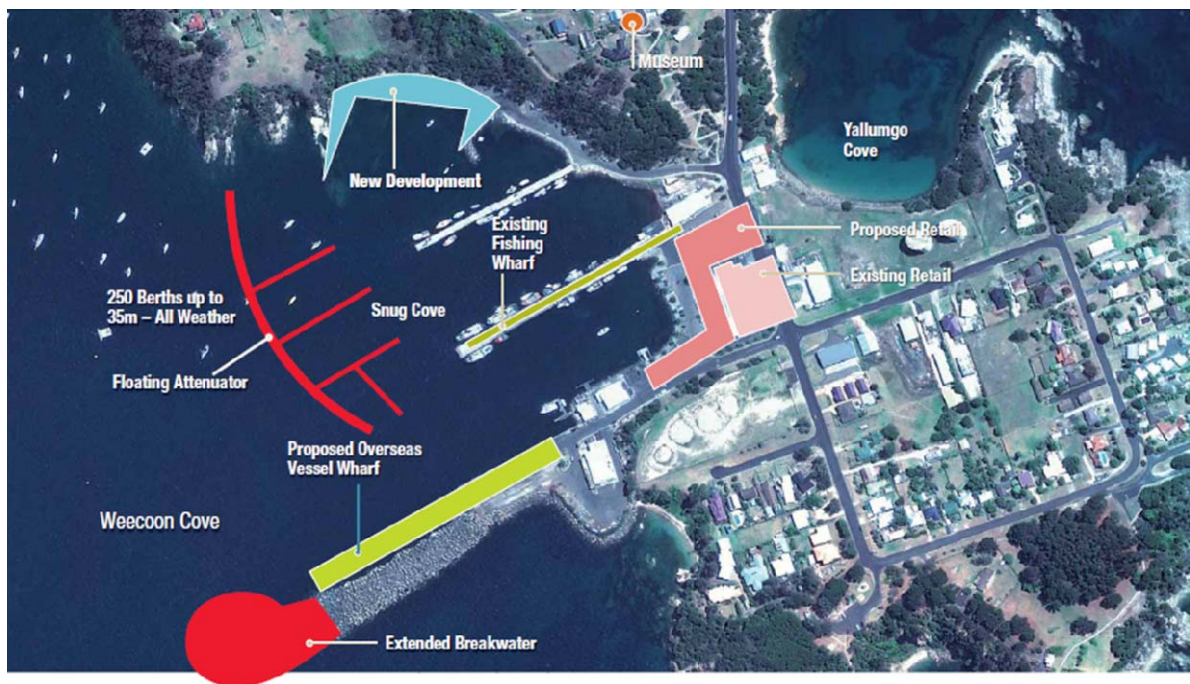
Council has recognised this, and has been active in engaging with the community, discussing proposals which will see the development of this resource into a world-class harbour, with all the benefits that this will bring to the region.

Partnering with NSW Lands, Council assisted in preparing the wharf, attenuator and transport corridor designs as well as a feasibility study, wave studies and development of a business case, and subsequently in bringing relevant government Ministers and investors on board.

A number of proposals are now under consideration, with the strategic approach comprising four key elements:

1. Extension of the breakwater to service cruise and oil field supply vessels
2. Development of a wave attenuator and mariner
3. Refurbishment of the Sapphire Coast Marine Discovery Centre and
4. Development of a renewable energy precinct.

This remains one of the key projects for the future Council.



COX | FISHERMANS WHARF PROPOSAL
STYVENSON ROAD, BARRACLOUGH, SA 5004

Other key capital projects

Council Regional and Local Community Infrastructure Program

Round 1 Projects

- Safety fencing at Apex Park; Causeway Entrance Treatment; Beauty Point Jetty - additional rock work; Netball courts seating; Cricket Shed
- Pathway project; Pre School solar panel project; Berrambool AFL Sportsground Upgrade; Blue Pools viewing platform; Pool Path and River Walk Project
- Aslings Beach Deadmans Link Boardwalk; Footpath to Pre School; Walkway to bridge handrail; Cycle pedestrian pathway; Fishpen rock wall
- George Brown Sportsground 2nd Stage; Bus Shelter Footpath; Kisses Lagoon Trail; Nethercote Reserve; Playground behind Post Office; Park Fence and Shelter power
- Wharf Car park; Lawrence Park fence upgrade & augment; Walking Track - Headland to Kianinny Bay; Sportsground and Pony club; Skate park
- Playground fence at Apex Park; Landscape foreshore area around Taylor Square

Round 2 Projects

- Market St Merimbula; Bega Youth Space; George Brown Oval; Aslings Beach Ballustrade; Pambula Playground; Tathra - Kianniny walking track;

Round 3 Projects

- Improvements to Littleton Gardens and playground; Landscape foreshore area around Taylor Square Stage 2; Montreal Goldfield - Meeting point and storage facility
- Lake Curalo Boardwalk; Disabled access from the visitor centre to war memorial, Merimbula; Beach Access Steps – Short Point; Pambula Community Garden Shelter Shed

Strategic

- NBN satellite station – this \$30 million project will be one of two located in Australia and will provide access to high speed broadband via satellite for isolated communities
- Four Winds Sound Shell and building development –this community based project has seen stage 1 the sound shell completed at a cost of \$2 million with additional works planned
- Bermagui Fishermans Wharf complex \$6 million
- A number of major development applications have been before Council over the reporting period including the Eden aged care facility, Bega bulky goods retail development, Bega Target development, the Bega Bowling Club redevelopment, Merimbula Main Street development, works at a number of State schools and works at Lumen Christi College, Bega McDonalds, Eden wood pellet plant, Bega Cheese office development and Bermagui land rezoning.

Sportsgrounds

- Bega: Recreation Ground: Surface levelling, spectator mound, amenities upgrade and disabled toilet; Soccer: (George Griffin Oval) irrigation and ground drainage; Angledale Cricket Club: Investing in Cricket Wicket Soil; Net replacement after floods; Netball: Facility improvement; Restoration of Bega Valley fields due to flood damage; Tennis: Replace Chain Wire Fence Around Courts; Completion of the Skate Park
- Bemboka Sportsground: Automated Irrigation System
- Bermagui Dickinson Oval: Automated Sprinkler Irrigation System
- Berrambool Sports Complex: Replace floor area ladies toilet; Berrambool Sports Ground: Improving access
- Candelo: Tennis Club: Resurface Courts; Lighting of tennis courts
- Cobargo: Skate Park completion; Sports and Tennis Club resurfacing of 2 tennis courts with synthetic grass; stage 2 lights and retaining wall

- Eden Pony Club: Upgrade of grounds and equipment
- Evans Park: Stage 1 site preparation, fencing and electricity; Relocation of Power Poles and Associated Lines
- Ford Park: Resurfacing of 4 courts with Powercoat
- Frank Maher Pavilion Pambula Sport Complex: Upgrade Lighting (Table Tennis)
- George Brown Oval: Providing Access for Elderly/Disabled to Stage 2 Grounds
- Lawrence Park: Small training field/mini rugby league will be able to run mini rugby league carnivals with this extra ground; complete boundary fencing
- Narira Park: Completion of second playing field (including earthworks, levelling, irrigation and fencing)
- Pambula: Sporting Complex Levelling of the showground area, completion of a new soccer/hockey ground, irrigation improvements; Pambula Panthers perimeter fencing and refurbishment of canteen; Sporting Complex Contingency funds allocated by GSRC, Lighting upgrade, Power harrow and seeding lower horse grounds, Improved access; Tennis Club: Upgrade and resurfacing of Courts 1 & 2
- Tathra Cricket Club: Improvement to training net; Tathra Mountain Bike Trail
- Towamba Oval: Fencing and tennis courts resurfacing
- Wyndham Pony Club: Completion of new pony club grounds; Relocate vehicle access track and modify dam overflow
- Wyndham Tennis: Surface refurbishment



The George Brown Oval before (left) and after (below) restoration works



Strategic Achievements

Strategic Projects can be defined as those which focus on matters identified as crucial to our region, have associated, developed, programmes of work, and which have a strong correlation to the ongoing service delivery of our work. They may also have large financial commitments and be one-off pieces of work, often in response to events.

Funding, and delivery of the programmes of work, however, may not be entirely within control of the Council, and/or often, although not always, the programmes of works will result in Outcomes which form the basis for future Council works.

The Integrated Planning and Reporting (IP&R) Framework

In line with the State Government's Integrated Planning and Reporting (IP&R) framework Council undertook extensive consultation with its community over a two year period, a review of the Council's adopted 20 year plan and a full asset and financial sustainability review.

The resulting community strategic plan *Bega Valley 2030*, Council delivery plan *Bega Valley 2016*, Resourcing Strategy and operational plan were adopted in 2011. Following feedback from the Division of Local Government noting overall compliance with the State requirements some minor amendments were proposed to the Delivery Plan and Resourcing Strategy which were publicly exhibited in May 2012 and adopted in June 2012.

The four main pillars applied to these plans were that they were **readable, believable, achievable and affordable**. This has now been expanded to include two further pillars of **measurable** and **reportable**, with a performance reporting framework being developed. This will articulate the outcomes to be achieved and delivered, and will set the basis for report on these.



BVSC Integrated Planning and Reporting 'Suite of Documents'

Position Statements - under-pinning our commitment of the IP&R, Council has made its position clear, in published position statements, on a number of critical issues, including:

- Health • Ageing • Youth • Growth • Forestry • Tourism • Housing • Climate Change
- Water Supply • Sewer • Asset management • Roads and bridges • Recreation
- Community buildings

These statements have guided review of policies and procedures, ensured political and legislative alignment in the Council term and are articulated in a direct link to the Council plans, shaping the way in which Council has approached our business and priorities and delivers services across the Shire.



Responding to Climate Change and adapting the way we manage assets and service delivery is part of enhancing quality of life for our community

Asset Management Plans were developed as part of the IPR process and have seen Council establish and adopt a long term approach towards the development, renewal, maintenance and general management of assets under its ownership. A controlled programme is now in place which will see Council assets managed, in line with financial and material resources, for the benefit of the community.

State of the Shire report was produced for the first time in 2009, and provides a 'snapshot' in time of our community, capturing the key statistics relating to our people, our environment and economy, and our place. A follow up 'Council Roles and Functions' report, incorporates Census 2011 data and will provide a full and complete view of Council and how it engages with the community.

Resourcing Strategy, Long Term Financial Plan, Workforce Plan and other key strategic and operational plans underpin the IP&R approach, and the development of a Performance Management Framework will see the reporting of results come to life in years to come.

CLEP

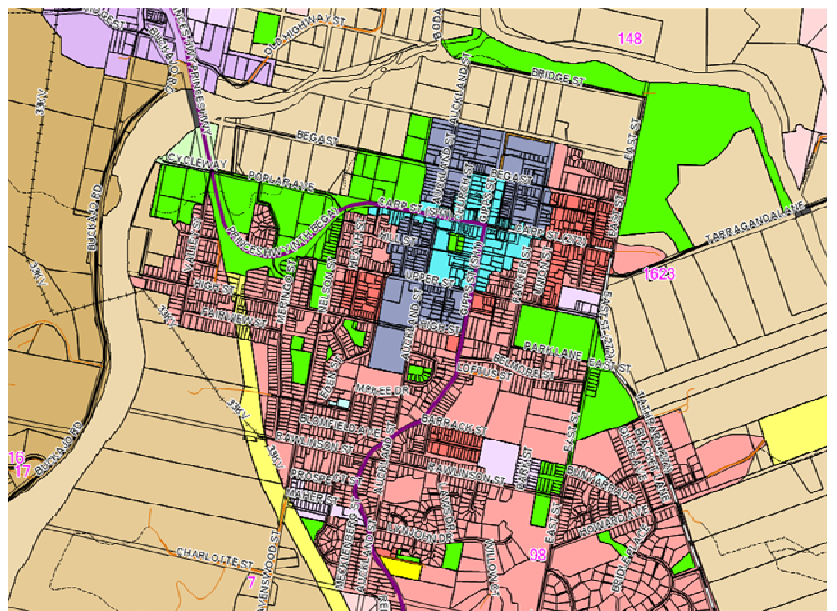
The Comprehensive Local Environment Plan (CLEP) seeks to ensure that land has been appropriately zoned to position the Shire for future development opportunities, whilst at the same time protecting our productive agricultural land, the environment, cultural heritage and the socio- community aspects of our region.

Completion of the CLEP has been a major task, conducted over a period of a number of years, involving extensive community consultation with over 450 submissions for consideration addressed and accounted for within the agreed State framework.

The resulting plan will set the basis for the balanced development of the Bega Valley for years to come.

What does the Plan seek to achieve?

- Improve opportunities for economic development and jobs in the Bega Valley town centres, through the expansion of business, mixed use and industrial zones.
- Protection of productive agricultural land through the use of primary production and rural landscape zones.
- Establishment of allotment sizes through a “lot size map”, thus determining subdivision and dwelling entitlements.
- Recognition of environmentally sensitive land through the use of environmental management and environmental living zones.
- Protection of sensitive foreshore areas and bushland public reserves through the use of an environmental conservation zone.



Supporting development in our Shire

Over recent years Council has been closely monitoring development in the Shire, including the “turnaround” times of development applications. The average determination time has been reduced from 103 days in 2008/09 to 56 days in 2011/12. This represents almost a halving (46% quicker per DA) in four years. This impressive result has been due to a focus on system improvements, better communication with industry professionals and overall efficiency gains.

The average number of applications lodged per annum over the period was 620 at an average annual value of around \$100million.

Central Waste Facility

Over a period of ten years, Council utilised recognised selection criteria, developed by consultants, determining fitness for purpose, for the site selection and subsequent planning approval process for a central waste facility (CWF) which was identified in the Council's adopted Waste Strategy. Alternative technologies and strategies, including freighting waste to facilities outside the Shire, have been shown to be uneconomical.

In July 2011, the Joint Regional Planning Panel approved the development of the Central Waste Facility at the site identified on Wanatta Lane, Frogs Hollow.



Central Waste Facility:

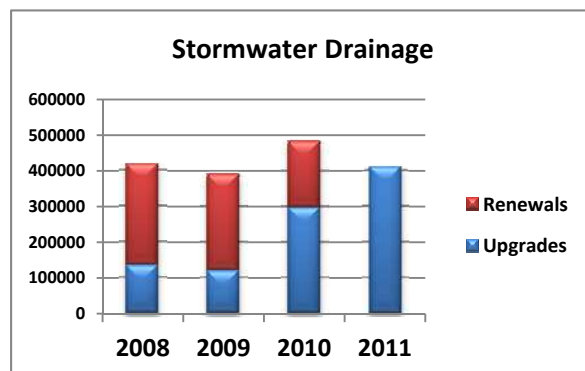
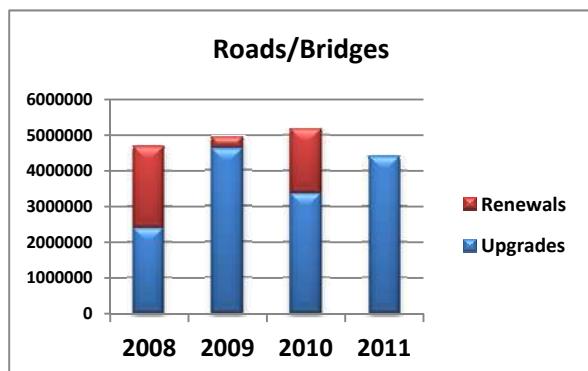
Wanatta Lane construction

This major project will see our capacity for handling waste increased substantially, which along with increased efforts in recycling will enable us to move forward with our waste management agenda, to the benefit of Bega Valley Shire as a whole.

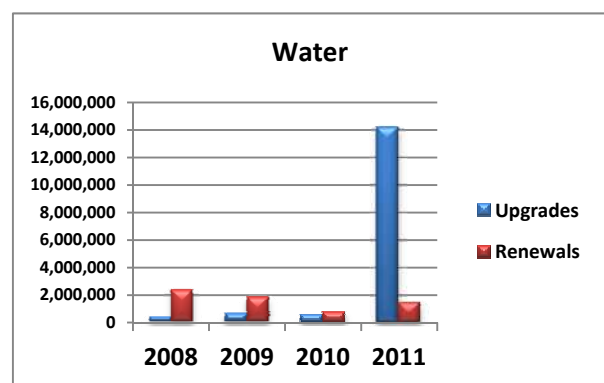
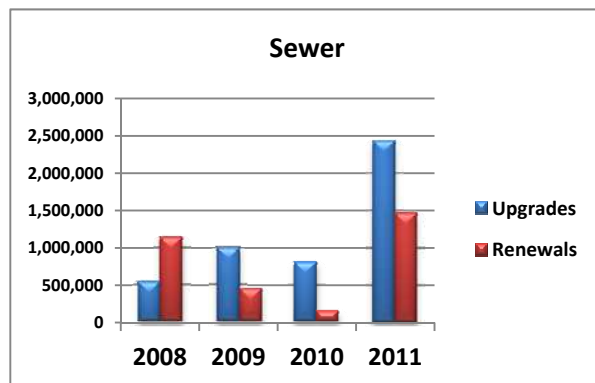
The EPA have issued a license to operate and Wanatta Lane has been constructed and sealed in 2012, with stage 1 construction of the CWF beginning in 2013.

Asset Management

A series of investments made in our road assets across the region, including collector roads, local access roads, and regional roads has had significant investment over the last four years. Upgrading, maintaining and introducing new assets is aimed at improving the accessibility of our region. As part of the over-arching Asset Management Plans, these investments are crucial in ensuring sustainability of our assets over the long term.



Equally important has been the investment made in our water supply and sewer assets which play a crucial part in ensuring the liveability of our region is maintained, developed and enhanced. Over \$30 million has been invested in these assets alone over the last four years.



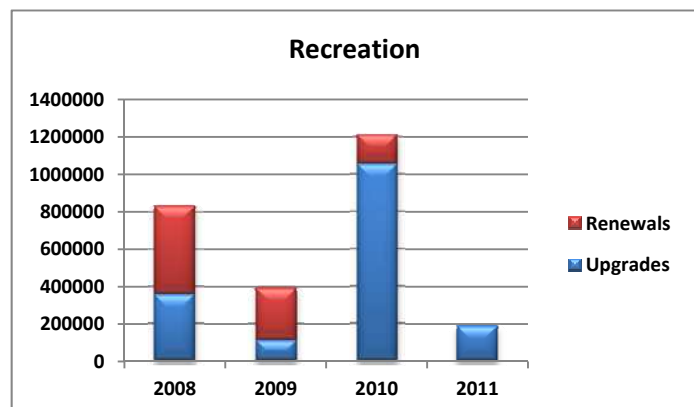
Access for All

Council also plays a key role in ensuring access to the physical environment for those people living with a disability, older residents and families, addressing issues in a number of ways. All new developments in the Shire must adhere to the Australian Standard on Access to premises, which outline a range of minimum requirements for new public premises/business or in circumstances where a Development Application is required.

Council also has an Access Committee that meets regularly to advise and make recommendations on a range of Council strategies, services and projects to ensure the best possible outcomes for people with mobility issues including older people, people with a disability and families with small children.

Sporting and Recreational Facilities

The Shire has an abundance of sporting and recreational facilities, and over the period, Council has worked to build upon this regional strength, both complementing our existing facilities, whilst bringing new ones on-line.



- **Pambula Sports Complex:** Stage 1 upgrade to this regional facility, covering on site car parking and internal road and pedestrian network has been completed and Stage 2 underway
- **Bega NRL:** upgrading of the pitch and facilities in Bega made it possible for us not only to stage an NRL trial match, but has given us the potential for future such events, and enabled us to compete at a completely new level in consideration of such regional matches in the future.

Collector Roads, Bridge Works and Local Access

Major investment has been made over the last four years, in a number of bridges and roads including the Snake Track, Murrabrine (Cobargo), Logans (Towamba) and Brianderry (Bega) Bridges, and Slatters Bridge Tantawangalo MR 272 Murrah Bridge, MR 272, and Bermagui Bridge.

This has led to much improved access and maintenance of vital assets of our region.

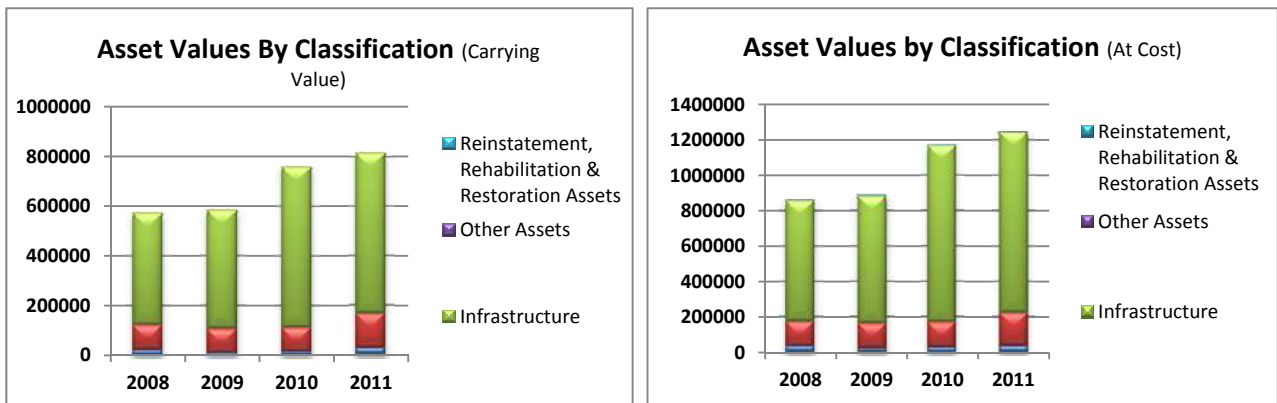


Figure: Asset Valuations 'Like for Like' value (left) currently ca \$800m, and Replacement Value 'New' (right) currently ca \$1.2b




Nethercote Road: Upgrade to local road, 1.7km in length

Achievements against the Community Strategic Plan 2008-2012

The adopted [Bega Valley 2030](#) has five key themes – Liveability, Enterprising, Sustainable, Accessible, and Leading Organisation . These reflect the ambitions of the community for the area into the future. Many of the aspirations articulated in the plan are beyond the direct scope of local government so the community strategic plan articulates the Council's role in each area. The themes are presented in a manner that outlines the outcomes that are to be achieved by 2030. The themes, related ambition statements, and statements below, set out the progress made, as well as priority areas for future focus.

The five year [Delivery Plan](#) 2011-2016 and the annual [Operational Plan](#) which link to the BV2030 directly outline Council's actions and targets for each reporting period. This section of the End of Term Report outlines progress against these plans and the previously adopted management plans.

Liveability

 To support a place where everyone regardless of age of circumstance can enjoy a safe, involved and affordable community life.

Background

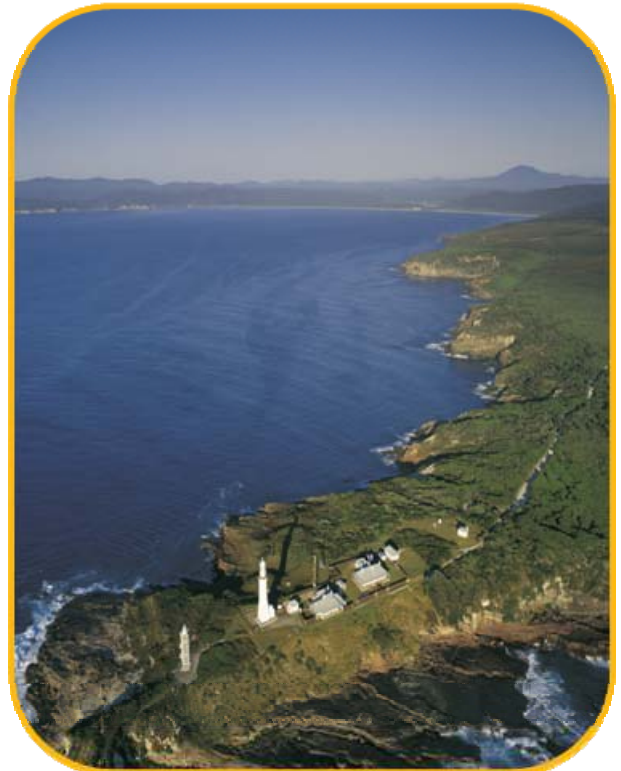
The Bega Valley is seen by many as a very desirable place to live as it is green, clean and provides opportunities in education, health, cultural activities and employment. The area has long been a retirement haven and the population profile continues to reflect this. The issues identified in the preparation of Council's 2006 20 Year Plan and the 2011 community strategic plan, *BV2030* continue to face the community and Council.

Condition

Council has continued to work with local Aboriginal communities and the Memorandum of Understanding was recommitted to in 2008. Council has also approved the reinstatement of an Aboriginal Liaison Officer position and developed planning protocols and children's services and early intervention programs to support local community members.

Ensuring a healthy community remains key to Council activity and parks, cycle ways, playgrounds and sports fields, and we are pleased to boast facilities of the highest standard across the Shire. Council has also attracted significant funding until June 2014 as part of the Federal Governments Healthy Communities Initiative

Council directly provides services in ageing and disability, family early intervention and services



for young people and older people. A broad range of children's education and care services are provided to more than 300 children each week in the Bega Shire. These services are also supported and integrated with Council early intervention services. The Council also liaises closely with other community service providers and advocates for broad service provision locally to ensure an appropriate service level profile is available across the Shire. The addition of a funded program to work with our Migrant community has been a welcome addition to these services.

The Regional Gallery and broader community cultural programs such as the Living Artist program, fLing physical theatre, the wide range of local community festivals including Four Winds, the Eden Whale Festival, Candelo Music Festival, Cobargo Folk Festival and Merimbula Jazz Festival have been supported and continue to grow bringing increased visitors to the area.



Gallery: Acacia Petersen's 'Grandma', charcoal on cardboard

The library in Bega and its three branches at Bermagui, Merimbula and Eden are hubs for research and discovery, with a wealth of material to suit all ages and interests. As research shows a 'learning community is a healthy community' and the library seeks to provide the resources and expertise to assist all areas of community needs from babies through to seniors, addressing literacy needs and providing access to academic resources that enable students to grow through higher education.



The libraries have 21 computers, free wireless internet, recharging posts and power for laptop use and training is provided for all levels of computer use and the downloading of E-Books and E-Audio. A home library service is available for those who are unable to visit a library and a large number of volunteers are inducted and trained to provide this professional service.

As an indication of the high importance that the community places on the library, two thirds of the Shire's population are members of the library with over 10,000 actively using the library each year.

Across all areas of community and Council activity the important role of volunteers has been recognised. Volunteers provide support to a large number of Council's services from the gallery, library and community services to the environment and asset management. In particular Council works with volunteers in the direct management of halls, sportsgrounds, reserves and cemeteries.

Change Statement

Under the Memorandum of Understanding with Aboriginal Elders, Traditional Owners and Local Aboriginal Lands Councils, successful lobbying, for the upgrading of the Princes Highway entry to the Moneroo Bobberra Gudu Keeping Place at Jigamy Farm, has received a positive response from the NSW Government .

Community safety has seen Council outsourcing the summer beach lifesaving service, and continue to support the RFS, SES, and liaise regularly with NSW Police through the Police Liaison Committee. New Years Eve events have been supported through the Summer Bus and Town Team involvements particularly in Merimbula.

Furthering our support to a healthy community an all year swimming facility has been developed.

Health services also remain a key objective, and Council has worked with the State and Federal governments to secure funding for the South East Regional Hospital to contribute towards ensuring health needs across the Shire are met.

Council also liaises with educators and other organisations and support projects such as the Cancer Council, ANU Rural Medical School, University of Wollongong Mobile Health Clinic and the John Flynn Rural Medical program.

As a high priority, work has also been progressing on discussions about potential future options for the Pambula Hospital site and services, and Council has agreed to the undertaking of a poll alongside Elections in 2012.

Research and strategy development has been undertaken in the areas of affordable housing, ageing and youth, continuing our commitment in these areas, and this work informed key directions in the adopted BV2030. Round table discussions were held on health, transport and volunteering as key areas of future service provision support and development.

Over the past four years the Council has supported the growth in the program of the Bega Valley Regional Gallery supported through a special variation to general rate revenue. The Shirley Hannan National Portrait prize has increased in prize money and stature and the Bega Valley Art Award has also been revamped.

The South East Arts organisation is supported both through a financial contribution and provision of office space and administrative support, and locally, programs have benefited through local benevolence.



Winning Artist Neil Moore,
Portrait of Claudio, oil on canvas

The strong link between the TQual funded SCT Ltd cultural heritage project and local cultural activities has been a key step in providing further experiences for visitors and highlighted in the growing cultural tourism market.

Council's library service has continued to review its operation to ensure that it remains relevant, efficient and sustainable. A formal review of the large mobile library resulted in a transition to a smaller more flexible van shared with a mobile preschool service and the establishment of a home visiting library service. An innovative and strategic shift in service delivery has seen a focus on reviews of hours of operation, expansion of services into new media and "e" services. Importantly the move to a new, albeit temporary, site for the Merimbula library have seen usage statistics increase.

Across Community and Cultural Services, partnerships with the University of Wollongong, Canberra University and ANU have also been developed. Council has also played a key role in the establishment of the Community Training Partnership offering employment and training opportunities for young people and in the establishment locally of a Police Community Youth Club announced in May 2012.



Council's Children's Services have continued to grow to meet community demand particularly in relation to taking on the management of the Eden preschool and the Sapphire mobile service.

The frame work in which services for children are provided has been moved to a national one with the introduction of the National Quality Framework in 2012. This has seen Children's Services facilitate region wide training, preparing for a managed transition of service provision.

Over the past four years considerable work has been undertaken to ensure that the valuable work carried out by 'our' volunteers is supported in terms of the governance, work, health and safety, and financial management of their facility.

The reporting and other requirements of Council under various legislation have meant impacts on how these Council volunteers operate and it has been critical to work through are view process. This has not always been easy but the dedication and commitment of the involved volunteers has is applauded. The review of section 355 Council committees has been a significant project for volunteers, Council and staff and work continues to ensure the most effective processes are in place.

Supporting funding for community groups is also critical to this work and Council directly provides support as well and annually providing funding to the Mumbulla Foundation to provide important seed funding to community groups. Council also administers the Clubs Grants program.



Areas for Future Focus

Community services plays a vital role in service provision to those in need, as well as helping the community, at all stages in life, to access resources, meet challenges, and attain quality of life, and this will continue to be a driving force for the Council in the future.

Addressing the issues, and building on the opportunities in the cultural and arts arena remain a priority, not least of all those facing the Regional Gallery, including finding space to house the significant Shirley Hannan collection, and the need to increase space for both the gallery and storage space. Innovative options are being investigated.

The very strong theme of music events across the Shire offer a significant point of difference for the area which should be promoted into the future.

Bolstering our support to the volunteers who selflessly commit their time to the Shire and its community remains a priority for us, and work will continue to grow and support this valuable sector.

Council is committed to following through on funded programs servicing the community's most vulnerable families, creating education and training opportunities, alliances and partnerships that grow a sustainable local workforce, services traineeships, cadetships, as well as funded partnerships and alliances expanding access to online health and education services such as the successful early start programme. Hand in hand will be the continued focus on funded alternative service provision models that offer resources which sustain the community.

Enterprising

- To support a creative and innovative business community invigorating growth in employment and economic activity, in partnerships with government.

Background

Historically, the strengths of the local economy and employment capacity are based on traditional industries including agriculture, fishing, forestry, tourism, retail, and the construction and building industry. Over the period 1996 – 2010, restructure in the dairy, fishing and forestry industries resulted in increased casualisation of the workforce, whilst home based businesses, environmental and cultural tourism and the sustainable energy sector have been emerging trends.

The Shires geographic extent, settlement patterns and infrastructure network are challenges for the local economy, but, one of the key areas which featured consistently in the consultations in the development of the BV2030 was the need to grow the opportunities for current local businesses and to support new local business development.

Condition

Council has not had a dedicated economic development staff resource since 2006 and in 2007 commenced the process of working with the local tourism industry to establish an independent tourism promotion group supported by Council.

As part of the development of BV2030 considerable work was done to scope a business growth strategy for the Shire that focuses on local strengths. As part of this process Council built on work done locally researching home based businesses and also worked with Chris Gibbons from Littleton Colorado to develop a framework for local “economic gardening”. This work is still being scoped up for implementation from 2012.

Change Statement

As a demonstration of our commitment to supporting business, and building our economic capacity in the region, Council has made concerted efforts in bringing a focus to economic development projects and initiatives across the region, and highlighting our aspirations at local and state level. The recent addition to our establishment of dedicated project resource will see this continue into the future.

During the period 2008-2012 there has been considerable retail development in the Shire with major developments at Tura Beach and in Bega. The Sapphire Marketplace provides a regional shopping centre with the strength of being integrated into the Bega town centre. This has presented challenges to the small retailers in the region, and in particular pressure has been evidenced in Eden, Merimbula and, to a lesser extent, Bega.

The challenges and opportunities presented by the Bega Bypass, which commenced in May 2012, are providing the impetus to refocus Bega central business district. Recently described as a “thriving city” by Minister for Infrastructure and Transport, Anthony Albanese, Bega is lighting the way for economic stimulation in the region, growing as a vibrant regional centre,



Bermagui has been very successful in repositioning itself, and plans are being developed to revitalise Merimbula and Eden. Local Chambers of Commerce, the Bega Business Forum and Council are forging some steps towards an integrated approach.

Tourism continues to be the driving economic force locally, and has been strengthened by the areas inclusion as Australia's Coastal Wilderness in the National Landscapes program. This has provided considerable promotion opportunity for little financial commitment and has also provided significant training opportunities for local providers embracing the concept.

Sapphire Coast Tourism has also continued to mature as an organisation receiving significant funding for some unique project development. The SCT Ltd Business Plan has been presented to Council and liaison and support of Visitor Information Centres continues with Council providing rebates of \$78,500 per annum to the Chambers of Commerce and SCT Ltd for Merimbula, Eden and Bermagui VICs.

A tourism signage plan has been adopted and this work will continue to develop with integrated "e" signage and other projects in the next two years.

Areas for Future Focus



Traditional industries in the region include Bega Cheese, clean green local produce, fishing and town centres, and it remains a priority for Council to strengthen and reinforce these industries wherever possible through seed investment, marketing and support initiatives, and facilitating the uptake of and development with emerging business practises, technology and methodology.

Continued investment and promotion of our tourism sector will be made with the coastal route signage program being rolled out and assistance being offered to businesses, extending their reach and appeal to the sector.

Enhancing accessibility to the region remains a high priority, and the Merimbula airport runway renewal, Bega traffic study, service road planning and town centre regeneration will all be priorities for the future alongside major ongoing investments in the region such as the Bega by-pass construction, the South East Regional Hospital development.

Innovative and progressive projects such as bringing the National Broadband Network to life in the region will be pushed ahead following the identification of an appropriate site for the satellite tracking station at Wanatta Lane.

Our emerging Digital Economy strategy will identify how we will integrate to the global network of economic and social activities that are enabled by information and communications technologies, leveraging on our investment in the NBN and capitalising on the opportunities it offers.

Reinforcing progress made all the time, we will build on our successes, with projects already proposed including:

- An economic study of the impact of the Bega by-pass;



- Progression of the Eden Port plan and Merimbula Airport strategy;
- Development of a masterplan for regional sports development;
- Investment in renewable and sustainable energies and ; and
- Progression of the Civic precinct and Littleton Gardens masterplan.

Sustainability

- 🌀 To ensure the unique environment is protected to maintain biodiversity and water quality and managed for our community, to provide growth and economic opportunity

Background

Our natural environment is critical to our overall wellbeing. It is highly valued by the community, is highly productive and ecologically rich with high levels of biological diversity. Our coastal zone is arguably our greatest natural asset with 5 of the 6 major towns located on the coast. Approximately 50% of the Shire population live within 15kms of the coast.



Human settlement impacts the natural environment. Australian society generally is reported as one of the highest consuming societies in the world. The management of our consumption of resources will minimise impacts on our natural environment.

Waste is a key measure of this pattern with sustainable waste management through reuse, and recycling able to reduce resource consumption. Sustainable waste management also reduces pollution, greenhouse gas emissions and prolongs landfill life.

The need to reduce energy consumption and the subsequent need to increase use of renewable energy

also potentially reduce our impact or footprint on the natural environment.

Water is of course one of essential resources and careful management of the water cycle through conservation and reuse schemes are proven ways to reduce our impact on this precious resource.



Figure: Weed Control Mer Lake August 2011

Condition

The current condition of our environment is very good based on comprehensive 2008/2009, 2004 and 2000 baseline State of Environment reports.

We have a rich biodiversity—91 different vegetation types have been mapped, 300 bird species, 145 fish species, 73 mammal species, 44 reptile species and 27 amphibian species have been reported in the Shire. This reflects the habitat diversity in the Shire—from coastal areas and lowland plains to the escarpment. It also reflects the Shire's high native vegetation cover—42% of the Shire's area is in some form of conservation reserve. Native forests comprise most of the 24% of land under timber production, and 14% of the Shire is bushland. There are 13 endangered ecological communities, and populations of 40 plant and 71 animal species that are vulnerable or endangered nationally or in New South Wales. An additional 17 plant species and eight animal species are listed as vulnerable or endangered.

Active management of noxious and environmental weeds continues on public and private

lands though fireweed has become almost endemic in the Shire and other weeds are widespread.

Bushfire threat remains though the Bushfire Management Plan 2010 is in place. Hazard reduction and asset protection zone maintenance and establishment work continues.

Estuary Management or Coastal Management Plans are in place and are being implemented for major estuaries in the Shire. The Coastal Hazard Plan

has commenced. Our coastal zone has very high ecological value and is



Figure: Opening of Wallagoot Lake - 2 March 2012

generally in very good condition. Flooding and associated impacts remain an issue that requires further understanding.

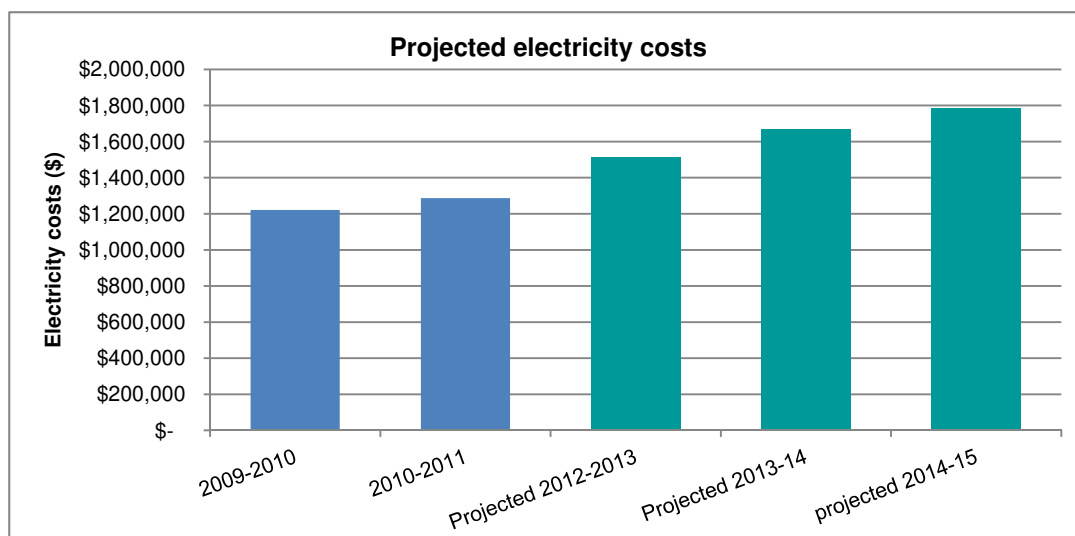
Waste management remains a challenge with the existing 3 landfill facilities nearing the end of their life. A new central waste facility has been approved and construction has commenced. The kerbside collection and recycling contract has been renewed and expanded and will commence in July 2012. Dumping adjacent to waste facilities and transfer stations remains a problem and waste collection mass and stream composition is not well defined.

Our community continues to be provided with excellent reticulated drinking water quality with water supply to the southern part of the Shire being secured by the completion of the Bega to Yellow Pinch Dam Pipeline project. Water conservation and reuse remains a priority though ocean outfalls remain periodically in use at Bermagui, Merimbula and Eden.

Corporate greenhouse gas emissions and our energy footprint are not well defined though energy use is being monitored and Council is involved with the NSW OEH Sustainability Advantage program to better define this area.

Council has also established a partnership with Essential Energy with the Bega Library to provide a community solar energy system on the roof of the library, the project boasts that “Bega now has one of the most intelligent libraries under the sun”. The site will be utilised as a community information and education centre. The system will supplement the power supply for the Bega Library as well as the local network.

The table below depicts actual electricity costs for the 2009 / 2011 and 2010 / 2011 financial years as well as projections for subsequent years if efficiency measures are not able to be realised.



Change Statement

Since 2008 / 2009 progress towards sustainability has been steady. This is evidenced generally by:

- increased security being built into the water supply in the southern part of the Shire
- improved waste management through expanded collection and recycling services and the move towards the closure of near capacity landfills and the approval of a central waste facility
- Coastal Planning and Management Committee established
- Coastal Policy adopted
- funding of \$100,000 received for a Coastal Hazard Study
- improved environmental outcomes in land management through the development of the draft comprehensive environment plan (LEP 2012), and
- improved funding for environmental activities through specific funding of weed and the establishment of a Community and Environmental Grant program.

Areas for future focus

Efforts for future progress towards sustainability have been generally identified through the development of BV2030 by progressing the following goals:

- Increasing community resilience in addressing vulnerability to extreme weather events and climate change impacts
- Greater definition and understanding of environmental risks such as flooding and coastal hazard
- Greater efficiency and use of our valuable water resources
- Improved effluent reuse and disposal options
- Reducing waste through recycling, reuse and the review of the 2020 Vision for Waste,
- Valued biodiversity and ecosystems that are actively preserved and protected, and
- Reducing the community and Council carbon footprint.

Accessibility

- To plan, and provide a comprehensive mix of public and private sector services and facilities in order that residents and visitors have access to the quality health, recreation, education, employment, transport, utility and retail resources they want and need.

Background

It is a fact of human history that access to adequate clean water and sewerage treatment are key requirements for ongoing positive human and environmental health outcomes.

Accessibility to services and transport networks are also critical to ensuring social, economic and environmental outcomes for communities.

Also critical for communities are access to health services, public transport, telecommunications and other service infrastructure such as electricity. Council plays a role in advocating and facilitating access to these services for the community but is not the prime provider. In relation to two major facilities, the Eden Port and Merimbula airport Council plays a more critical role.



Figure: Stringybark Place Sewage Pump Station

Condition

Key outcomes and project are listed elsewhere in the report.

Council's overall transport network is dominated by 1550 km of roads of which 45% are unsealed and 227 bridges, 28% of are timber. The overall condition of the road network is '3', which is equivalent of Fair to Average. Council maintained its maintenance program throughout the period, particularly on rural unsealed roads costs, such that the overall condition has remained unchanged.

Associated infrastructure, particularly bridges, stormwater drainage and culvert condition showed a marked deterioration as a result of the 2011 flood event in the Bega and Towamba river catchments. Emergency Disaster funding in excess of \$20M has been provided and utilised to restore roads and bridge structures. The impact of flood damage is expected to be restored by 2013.

Council adopted Asset Management Plans for the first time for roads, bridges, buildings and recreational facilities and the plans document current asset condition, levels of services and required sustainable funding levels.

Recreational facilities continued to be maintained with overall condition rating of fair.

Traffic management planning continued with the completion of the Merimbula Traffic Study and design development of the CBD bypass. Traffic study for Bega is also underway with significant development of the Bega By-Pass, Sapphire Market Place and the Regional Hospital, the development of which has been a key issue locally for many years.

The key drivers for drinking water are compliance with the National Health and Medical Research Council (NHMRC) water quality guidelines and also achievement of targets for flow, pressure and unplanned supply interruptions.

The key driver for sewerage services are ongoing compliance with the Environment Protection Licences (EPL's) issued by NSW EPA. As a result of the \$73 million Bega Valley Sewerage Program, Council has experienced improved EPL compliance outcomes over the last four years.

The 2009 community survey indicated a high degree of satisfaction with services in general solid waste and recycling collection.

Change Statement

Over the last 4 years Council has been able to maintain its \$1B infrastructure network. It has continued to upgrade its collector network and replace associated bridges and stormwater culverts. The flood damage while significant and major has been managed such that access has been temporarily reinstated and then restored to pre-existing condition.

Key recreational facilities such as the Merimbula jetty and boat ramp, Bermagui Blue Pool access, playground equipment at Tura Beach, Cocora Beach, Ford Oval, Spencer Park and Dickson Park. The provision of special rate levy engaged many sporting and recreational facilities to be upgraded while still others to be renewed to as new conditions. A list of sporting levy projects is provided on page 34.

Council has been able to improve supply security and reliability by implementing renewals and new works programs in accordance with our Asset Management Plans. A notable achievement in this area is completion of the Bega to Yellow Pinch Dam pipeline and associated works.

Enhancements to our road network and transportation infrastructure have been carried out with major projects being completed across the region. As well as upgrading streets and renewing pavements, essential investment has been carried out on underground drainage works. Collector roads and local road have seen significant investment under the asset management plans, including renewal, sealing and upgrading.

Bridges across the Shire continue to attract investment, not only through the maintenance programme, but also through renewal and repair programs.



Local street upgrade including underground stormwater drainage sealed, Cobargo



Burragate Road Seal Upgrade(top)



Deep Creek Bridge (right): Timber bridge replaced with concrete structure

Council has in 2012-13, with the development of a new waste collection contract, consolidated solid waste and recycling into standardised domestic and commercial waste services. Rural residents in particular will benefit from expanded kerbside recycling service availability in areas where either no services, or garbage only services, have been available in the past. By providing access to approximately 2000 additional kerbside rural recycling services, Council is ensuring it not only provides a convenient and economical service to Shire residents, but ensures that amount of diversion of recyclable materials away from landfill is enhanced.



Left: Stringybark Place
Sewage Pump Station

Council also progressed its 2020 Vision on Waste strategy significantly with the approval, and commenced development, of the new Central Waste Facility. The Central Waste Facility will ensure shire residents have access to economical and environmentally

responsible waste disposal for mixed residual waste for the next 30 years. The location of the CWF is closely accessible to the Princes Highway and will assist in minimising the transport and associated environmental costs of waste disposal for the life of the facility.

The community continues to have convenient access to the network of recycling and waste transfer facilities throughout the Shire operating 365 days of the year.

Over the report period, funding for the development of a new regional hospital has been announced and Council has worked with NSW Health on the development of the South East Regional Hospital. The Federal Government also announced funding for the Bega by pass, and Council has worked with the Roads and Maritime Authority in relation to land acquisition and design.

In relation to Eden Port Council has played the key role in facilitating the development of the Eden Port Strategy, funded a marina feasibility study and liaised with a range of government and private bodies. Council has advocated on behalf of this project to Infrastructure Australia, Federal and State Ministers and the Sydney Ports Corporation.

In relation to the Merimbula airport, the Council as the owner of the facility has adopted the strategy for the future development of the site and potential business models, reviewed the lease, undertaken route feasibility review and developed an airport business plan.

Critical to the communities “connectedness” is improving the telecommunications infrastructure. Telstra have installed several mobile towers and Council has lobbied for the area to be a priority for the roll out of the NBN. Council has also facilitated and negotiated the siting of one of two NBN national earth satellite stations in the Bega Valley.

A number of key road linkages in the Merimbula CBD have also been progressed.

Areas for Future Focus

Asset Management Plans now adopted identified significant asset ‘backlog’ in the areas of roads, bridges, building and sporting infrastructure. The backlog represents that infrastructure that has reached its serviceable life and should be replaced. This is a significant financial burden for the long term financial plan.

Specific projects identified include:

- Continue delivery of Asset Management renewals programme as priority
- Delivery and update of the 2020 Waste Strategy including the central waste facility for the region
- Continued planning, development and delivery of priority projects based around our strategic access facilities: the Merimbula airport and Eden Port
- Integrated Transport projects

Key areas of focus are timber bridges, unsealed collector roads, sportsground infrastructure, play grounds, aquatic infrastructure and public toilets. Rationalisation and review of levels of service will play a major part in managing the overall financial burden.

For drinking water, the main focus into the future will be to continue the yearly renewals programs and implementation of water treatment where needed, in accordance with Asset Management Plans.


Likewise, sewerage services will continue to focus on the yearly renewals programs, in accordance with Asset Management Plans, and to complete selected new works including improved effluent management at Merimbula and disinfection at Eden and Tura treatment plants.

The Merimbula airport, Eden Port, telecommunications, and Merimbula CBD traffic studies remain a priority for the future.



Eden Port

Leading Organisation

 To shape an organisation that supports the agreed aspirations of the community within the capacity of the community and the capability of the organisation.

Background

Over the period since the Council elections of September 2008 the organisation has undertaken significant steps in progressing towards its stated ambition statement articulated in the adopted, Bega Valley 2030, of shaping an organisation that supports the agreed aspirations of the community within the capacity of the community and the capability of the organisation.

The organisation has also undertaken considerable project and research work, strategy development and strategic, financial and workforce planning.

Condition

In the area of civic leadership the Councillors and senior staff have continued with the regular workshop series which provide an opportunity for the elected Councillors to contribute to the development of key strategic projects. Councillors have contributed hundreds of hours in these forums and have worked with staff, the community and each other to develop Council's strategic direction.

Key to these workshops have been the development of Council's integrated planning and reporting framework and Comprehensive Local Environment Plan.

Council's meeting format and series of workshops across the Shire have provided opportunity for local community members and groups to meet with Councillors and provide input to the democratic process.

The Council now has a very developed Level of Service (LOS) statement for all activities covering outputs, staffing, funding and plant and building resources. Position descriptions for all positions across the organisation are being reviewed to link to the performance indicators outlined in the Council's BV2030.

Community and staff surveys have been undertaken and informed planning and project developments. A staff circular is now produced weekly to advise staff of all Council activities and the General Manager hosts all staff sessions at least twice a year to ensure all staff have the opportunity to be appraised of key developments.

A key issue which is consistently raised has been staff responses to telephone calls, emails and written correspondence. A 1 day (telephone call) / 3 days (email) / 10 days (letter) regime of response times has been committed to and staff are being supported through technology and other processes to achieve this target. Council has upgraded its records management system and implemented a new customer response management system. There have been some issues in the implementation of these new systems which are being addressed as a priority.

The organisational structure was reviewed post the 2008 election and due to some staff movements during the last 18 months some temporary appointments have been put in place prior to the next formal review post the 2012 elections.

As an organisation Council has also developed closer ties with Littleton, Colorado supporting two staff to undertake an exchange to the local government body there in 2010. Relationships have also been developed with Ordos, Inner Mongolia China with a Council delegation visiting the area in April 2010 and a return visit to Bega in 2012.

Littleton Gardens (right): part of the civic precinct masterplan



Council has also upgraded its finance system over the reporting period and is implementing new technology supports to outdoor staff to assist them with reporting and recording issues.

Change Statement

Over the last four years Council has made significant progress in strengthening our civic leadership and governance arrangements, to increase transparency and provide greater assurance to our community. Council has adopted a project to provide regular information sessions for women interested in considering local government representations well as new policies and procedures relating to Government Information Public Access and Public Interest Disclosures.

Five matters have been the focus of investigations involving the Independent Commission against Corruption (ICAC) and all have been satisfactorily addressed with changes to procedures implemented where required. These matters have been reported to open Council meetings.

Council has also established an Internal Audit Committee (IAC) during this term and the committee has met regularly providing an important review point for major organisational processes, including incorporating Internal Audit into Councils 'Risk Management Profile' and the adoption of the risk matrix for use in prioritising Council Internal Audit Actions, as part of embedding and increasing organisational commitment to achieving good corporate governance practices.

Council has also appointed an Risk and Internal Audit coordinator, created an Internal Audit Charter, established the IAC Committee, completed the 2009/12 Strategic Audit Plan, identified a preferred Internal Audit contractor and created a Strategic Audit Actions approach to managing internal audit recommendations and actions.

Council's senior staff positions in a revised structure included the position of Executive Manager Organisational Support. This gave focus and drive to improving internal organisational processes most importantly in the areas of procurement, risk management, work place health and safety and information technology systems.

Council has also focussed on improving its response to the community. The development of the Council's two major planning processes involved many hours of face to face and online

opportunities for the community to provide detailed and comprehensive input to the development of these critical plans which will guide the community and organisation for the long and medium term. The detail of these processes is included in the reports now available on the Council's website (www.begavalley.nsw.gov.au).

Council's website has undergone a major review and Council's online consultation site "Bega Valley Views" is now utilised for all key consultation processes providing an opportunity for those unable to attend face to face sessions to engage with Council. Council has also commenced work in the social media frame with Face Book, Twitter and other possibilities being actively investigated

Under the Long Term Financial Plan, capital projects for the years ahead have identified areas for future consideration, as well as financial requirements. In doing so, consideration will be made to the Responsible Scenario, and adherence to good governance principles.

Council has also worked to research skills and retirement planning in its workforce. The review has resulted in a concerted endeavour to ensure a responsive and skilled workforce. Under Council's Workforce Strategy 2009-2014, a number of initiatives have been developed to manage and support transmission of skills, workforce renewal and attracting and retaining suitable applicants to key positions. Workplace Health and Safety injury claims are being carefully and proactively managed with a positive outcome being a reduction in workers compensation insurance premium projected for 2012-2013 financial year.

As reported in June 2011, the organisation support/backroom support costs of \$5m as a proportion of operational expenditure of \$60m at 8%, is better than the industry benchmark of 12%.

The Workforce Plan has been updated in the Resourcing Strategy to reflect a position of growth, having regard to the estimated outflow of staff in the next 10 years, as almost half the workforce is 55 years or older. A recent staff retirement survey has indicated the rate of movement out of the organisation, with policies now in place to transition staff in key roles to retirement and increase the uptake of trainees, cadets and apprentices to be mentored into the organisation. Two thirds of staff signalled in that survey their intention to retire within 15 years. Almost a quarter of staff indicated they will leave the organisation in 5 years.

The accumulation of untaken leave, in the last ten years, is also being progressively brought down to ensure sufficient funds are available in Employee Leave Entitlement cash reserves to fund the expected sequence of retirements.

Areas for Future Focus

The established position of Executive Manager Business Performance which has not been filled, but with the roles assigned to that position managed by other senior staff, will be included within any review of future structure, with a key focus on the reporting and accounting of plans under the Integrated Planning and Reporting Framework.

Councillors also noted at workshops that, to bring about the doubling of infrastructure renewal and enhancements projected in the LTFP to manage the backlog, an increase to resources is required. This is considered appropriate in the context that while surpluses of more than \$600k in the General Fund is attained each year, revotes (of incomplete or not commenced works or projects) continue to accumulate. With reference to the 'Staff, Consultants and Legal Expense report' considered by Council in June 2011, the mix of staff vacancies and under-resourcing in some professional ranks (such as engineering and project/contract management) has contributed to that growth in savings and revotes.

Council adopted a position in November 2011 to increase work crews and engineering and contract supervision to facilitate the over \$20m in flood renewal and repair works to transport and recreation infrastructure accumulated during the last three flood events. The LTFP accommodates doubling other infrastructure renewals by an average \$6m per year. That will

require a mix of staff, consultant and contract to undertake those works to the point that the organisation resources and budget would grow by around 20% in ten years.

Councillors noted an appropriate mix of staff to consultants/contractors ratio would be 40/60% of that growth. This would equate to an increase of approximately 40 staff (works and support) in that ten year period. The bulk of staff are funded by fees and grants (for services), with around a quarter of staff funded directly by general rates, in turn working on infrastructure.

The outcome of the review of the local government sector under 'Destination 2036' may also alter the size and mix of staff. Council is working with state government and Southern Councils Group to revise and potentially reset the roles and responsibilities for asset and service delivery by local councils, state agencies and authorities.

Challenges for the Future – Setting our Direction

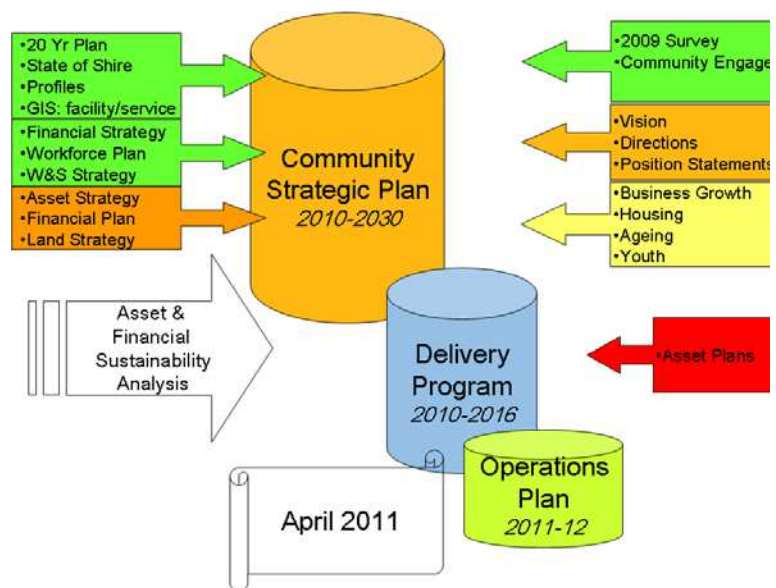
Whilst Council has made huge in-roads to the achievement of our Community goals, there remains much to be done. BV 2030 and associated plans and strategies hold the detail, but some of the highlights are:

- **Integrated planning and reporting:** - continued development of our strategic business management approach and in particular development of the performance reporting framework, including extension to and adoption of all associated plans and strategies.

- **Asset Management Planning:** ongoing advancement of a rigorous asset management approach, with the longer term considerations of all assets being managed at an early opportunity, ensuring sustainability, financially as well as environmentally, whilst maximising the return on investments made, reaping maximum reward for the benefit of our community.

Performance

management: A number of strategies and plans associated with the IPR Framework will require to be revisited, updated and/or reaffirmed as part of the review process, with a view to strengthening our Council's approach to planning and delivery. Aligned with this, will be the development and delivery of an Integrated Organisational Performance Management Framework.



(Above) Revising the IP&R Plans, Strategies and associated documentation requires a managed programme of works – the diagram shows a high level overview of key elements in the previous programme.

- **Workforce planning:** with an ageing workforce, changing work requirements and skill gaps the key challenge for Council will be to ensure that the Workforce Strategy is applied particularly focussing on traineeships, apprenticeships and cadets in those areas of skill shortage.
- **Water and sewer review of strategic business plans:** work on reviewing these will be a priority for the next term focussing on development serving plans and future levels of service for water supply treatment.

- **Effluent reuse models:** this is a key challenge for Council as it addresses its sewer disposal options with an emphasis on reuse and environmentally sustainable outcomes.
- **Support Systems:** Continued development of technical system support, through Authority, for the ongoing implementation of the Long Term Financial Plan (BIS software package), and Performance Management (PMA)
- **South East Regional Hospital:** commissioning is planned for 2016. As a new regional health facility, alongside existing health facilities, our region will be well served in terms of health provision. In addition, the new hospital provides our region with numerous other socio-economic opportunities, and it will be a priority area for Council consideration, looking to maximise the potential available.
- **Bega Town Hall:** the need for a re-developed Town Hall has been demonstrated, and is now in more advanced stages of being commissioned, including the consideration of development and design proposals. This need, vis-a-vis the potential usage of the Hall will need to be considered.
- **Eden Port development:** once a thriving and relatively prosperous Port, Eden requires redevelopment and growth. In line with local needs and considerations, the bigger picture, encapsulating regional economic and tourism development, all will need to be brought together into and integrated delivery plan, with both short term delivery objectives as well as strong long term ones, to act as the backbone for growth within the southern part of our region.
- **Merimbula Airport:** as a key access point to our region, and as one of the Council's assets, the Merimbula airport will require to be strategically managed to best deliver, along with the companies running the airport operations, on our regional objectives. Investment in airport infrastructure renewal, not least of all the runway, as well encouraging and supporting sustainable routes through regional capitals, remain high on the priority list in order to drive tourist and visitor growth, whilst also facilitating increased transport opportunities for our residents.
- **Bega By-Pass:** the beginning of the building of the bypass started earlier this year, with a re-shaping of the Northern part of Bega already prominent.



The impacts of the bypass on the town, in particular the traffic management, the economic impact, the flow of people and the follow on effects on infrastructure within the community will all require to be addressed in a proactive and positive manner to maximise the benefits that the bypass can bring, whilst minimising any down-sides.

- **Growing our local regional economy:** increasing employment and investment opportunities, attracting business investment into the region, and reinvigorating the Shire's prosperity are all key elements, amongst many others, of implementation of the Economic Strategy for the Shire. This is a priority for the Council, and ranks highly within our Delivery and Operational Plans. Continued lobbying for, winning of, and utilisation of monies from Federal Government, State Government, Government affiliated agencies and agency bodies, and utilisation of those monies in the best possible means for the betterment of the Shire as a whole, and in line with the achievement of our stated community objectives.



- **Town Centre Redesign and Upgrade** across the region in Bega, Merimbula, Eden and Bermagui

(Left) Bega Town Centre

- **Broadening tertiary education options:** increasing employment opportunities and options, and addressing the demographic challenges of the region all need to be approached proactively, with innovative solutions developed in order to attract and retain people within our communities.
- **Development of a cultural centre** within the region which represents and honours our cultural heritage, desires and needs is an essential deliverable within our Delivery plan, and will need to be carefully developed.
- **Developing an improved customer focussed approach** : a customer charter and service level targets will be developed across all Council sections and publicly reported against.
- **Land management and the use of the Council land portfolio:** remains an area where careful and considered strategic management of our resources will continue to be required, not least of all to meet the ongoing challenges such as:
 - Getting the balance right between economic development and the protection of our agricultural land and sensitive environmental areas
 - Maximising return on investment in our own land portfolio, encouraging private sector involvement in development, through use of appropriate concessions incentives;
 - Ongoing monitoring of compliance where appropriate, and working with land owners and investors to meet community needs.

- **Continued Delivery of Community Strategic Plan Projects:** remains an ongoing focus as we continue to deliver against the agreed outcomes in the CSP, and described in our Delivery and Operational Plans, including, in the year ahead:
 - Liveable – Set up Sports s355 Committee, Social and Cultural Plan, Support development SE Regional Hospital, Cultural assets analysis
 - Enterprising – Coastal route signage, Digital Economy Strategy, Industrial lands strategy, Airport Business Plan, Airport Masterplan
 - Accessible - Airport renewal works, Merimbula Service Road, Central waste facility, Effluent reuse study
 - Sustainable - DCP review, Contribution Plans review, Coastal Hazard Plan, Carbon emissions report
 - Leading Organisation - IPART rates submission, Update web presence, CSP review, Executive Information (trends) Report
- **Volunteer support:** the profile of volunteers in the Shire is changing and both community organisations and Council faces challenges into the future to ensure volunteer opportunities meet volunteer expectations, supporting volunteers and working with community organisations and Council committees to ensure appropriate governance whilst not overburdening volunteers with “administrivia”. The management of a wide range of Council facilities is dependent on volunteer endeavor and supporting, recognizing volunteers whilst also meeting legislative and governance requirements will continue to be a challenge.
- **Asset rationalisation:** one key pillar of the Council’s adopted Asset Management Plans moving forward is to ensure that the asset profile of the Shire is appropriate and affordable. The challenge here will be to effectively work with the local community to identify assets in excess of requirements.
- **Communications, engagement, media and reputation management:** local government is now operating in a “brave new world” where information is available online and where there is now conversations happening about the work of local government in this medium. A challenge for the future will be to broaden the manner in which Council engages with its community and the media in which Council carries out this engagement. Also critical is the process of clearly identifying what it is that we do, how and why we do it and providing that information to the community in a clear and concise manner.

Conclusion

The EOT report provides a high level summary of key achievements and identified priorities for the future as a report to the community on the Council’s activities for the period of its term.

Further key information is available in Council’s annual reports and adopted community strategic plan Bega Valley 2030 and linked delivery plan and operational plans. These are available on Council’s website www.begavalley.nsw.gov.au