

Agenda

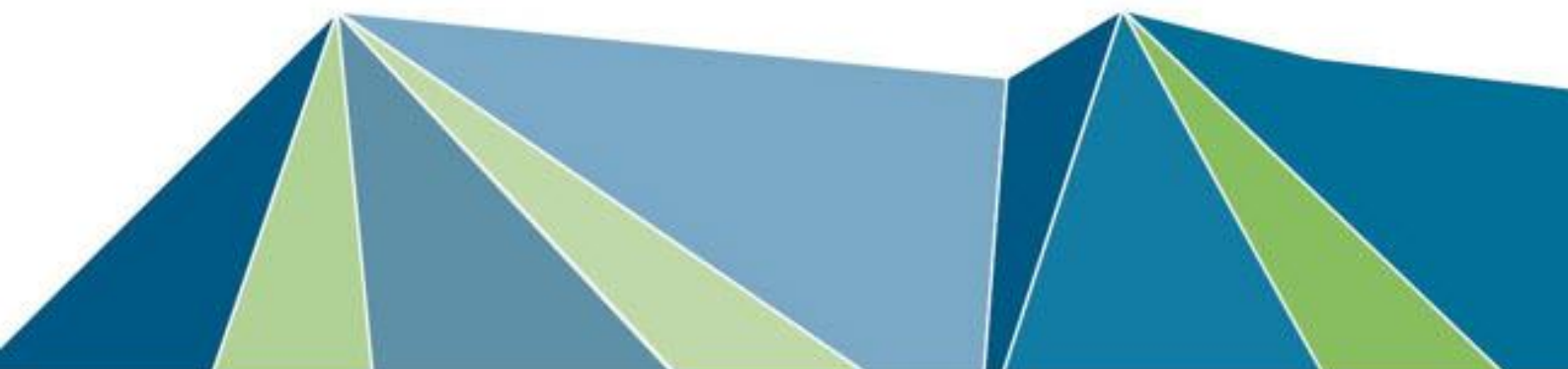
Finance and Facilities Committee Meeting

8 April 2025

An Finance and Facilities Committee Meeting`
will be held in the Ballina Shire Council Chambers, 40 Cherry Street, Ballina
on **8 April 2025 commencing at 4:00 PM.**

1. Acknowledgement of Country
2. Apologies
3. Declarations of Interest
4. Deputations
5. Committee Reports

Paul Hickey
General Manager



Ethical Decision Making and Conflicts of Interest

A guide for Councillors, Council employees and community representatives

Ethical decision making

- Is the decision or conduct legal?
- Is it consistent with Government policy, Council's objectives and Code of Conduct?
- What will the outcome be for you, your colleagues, the Council, anyone else?
- Does it raise a conflict of interest?
- Do you stand to gain personally at public expense?
- Can the decision be justified in terms of public interest?
- Would it withstand public scrutiny?

Conflict of Interest

A conflict of interest is a clash between private interest and public duty. There are two types of conflict:

- **Pecuniary** – an interest that you have in a matter because of a reasonable likelihood or expectation of appreciable financial gain or loss to yourself or another person or entity defined in part 4 of the Council's Code of Conduct, with whom you are associated.
- **Non-pecuniary** – a private or personal interest that you have that does not amount to a pecuniary interest as defined in the Council's Code of Conduct.

These commonly arise out of family or personal relationships, or out of involvement in sporting, social, religious or other cultural groups and associations, and may include an interest of a financial nature.

The test for a conflict of interest

- Is it likely I could be influenced by personal interest in carrying out my public duty?
- Would a fair and reasonable person believe I could be so influenced?
- Conflict of interest is closely tied to the layperson's definition of "corruption" – using public office for private gain.
- It is important to consider public perceptions of whether you have a conflict of interest.

Identifying problems

- Do I have private interests affected by a matter I am officially involved in?
- Is my official role one of influence or perceived influence over the matter?
- Do my private interests' conflict with my official role?

Disclosure and participation in meetings

Pecuniary Interests

- A Councillor or a member of a Council Committee who has a pecuniary interest in any matter with which the Council is concerned, and who is present at a meeting of the Council or Committee at which the matter is being considered, must disclose the nature of the interest to the meeting as soon as practicable.
- The Councillor or member must not be present at, or in sight of, the meeting of the Council or Committee:
 - a) at any time during which the matter is being considered or discussed by the Council or Committee, or
 - b) at any time during which the Council or Committee is voting on any question in relation to the matter.

No Knowledge - A person does not breach this clause if the person did not know and could not reasonably be expected to have known that the matter under consideration at the meeting was a matter in which he or she had a pecuniary interest.

Non-pecuniary Interests

Must be disclosed in meetings. There are a broad range of options available for managing non-pecuniary interests and the option chosen will depend on an assessment of the circumstances of the matter, the nature of the interest and the significance of the issue being dealt with. Non-pecuniary interests must be dealt with in one of the following ways:

- It may be appropriate that no action be taken where the potential for conflict is minimal. However, Councillors should consider providing an explanation of why they consider a conflict does not exist.
- Limit involvement if practical (eg. Participate in discussion but not in decision making or vice versa). Care needs to be taken when exercising this option.
- Remove the source of the conflict (eg. Relinquishing or divesting the personal interest that creates the conflict)
- Have no involvement by absenting yourself from and not taking part in any debate or voting on the issue as per the provisions in the Code of Conduct (particularly if you have a significant non pecuniary interest)

Deputations to Council – Guidelines

- Deputations by members of the public may be made at Council meetings on matters included in the business paper.
- Deputations are limited to one speaker in the affirmative and one speaker in opposition.
- Deputations, per person, will be limited to a maximum of two items on the agenda.
- Requests to speak must be lodged in writing or by phone with the General Manager by noon on the day preceding the meeting.
- Deputations are given five minutes to address Council.
- Deputations on the same matter will be listed together with the opposition first and the speaker in affirmative second.
- Members of the public are advised that any documents tabled or given to Councillors during the meeting become Council documents and access may be given to members of the public in accordance with the requirements of the Government Information (Public Access) Act 2009.
- The use of powerpoint presentations and overhead projectors is permitted as part of the deputation, provided that the speaker has made prior arrangements with the General Manager's Office at the time of booking their deputation. The setup time for equipment is to be included in the total time of five minutes allocated for the deputation.
- To avoid conflicts of interest, real or perceived, deputations will not be accepted from:
 - a) Tenderers during a public tender or request for quotation
 - b) Persons or representatives from organisations seeking financial support from Council that involves an expression of interest
 - c) Consultants who are engaged by Council on the matter the subject of the deputation.

Recording and Livestreaming of Council Meetings

- The meeting (with the exception of the confidential session) is being livestreamed and recorded for on-demand viewing via Council's website (ballina.nsw.gov.au/agendas-and-minutes) and a person's image and/or voice may be broadcast.
- Attendance at the meeting is taken as consent by a person to their image and/or voice being webcast.
- All speakers should refrain from making any defamatory comments or releasing any personal information about another individual without their consent.
- Council accepts no liability for any damage that may result from defamatory comments made by persons attending meetings. All liability will rest with the individual who made the comments.
This meeting must not be recorded by others without the prior written consent of the Council in accordance with Council's Code of Meeting Practice.

Table of Contents

1.	Acknowledgement of Country	6
2.	Apologies.....	6
3.	Declarations of Interest.....	6
4.	Deputations	6
5.	Committee Reports.....	7
5.1	North East Weight of Loads Group (NEWLOG)	7
5.2	Rating Structure - 2025/26	10
5.3	Fees and Charges - 2025/26	18
5.4	Commercial Property Projects and Cash Reserves	30
5.5	Community Infrastructure - Recurrent Capital Works	48
5.6	Community Infrastructure - Non-recurrent Capital Works	64
5.7	General Fund - Long Term Financial Plan	85
5.8	Community Strategic Plan 2025 - 2035	98
5.9	Workforce Management Plan - 2025 to 2029 and Organisation Structure	107
5.10	Strategic Asset Management Plan - 2025/26	124
5.11	Delivery Program and Operational Plan - 2025/26 to 2028/29	128
5.12	Wigmore Arcade Complex - Leasing Proposal	131
6.	Confidential Session.....	132
6.1	Wigmore Arcade Complex - Leasing Proposal	132

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1. Acknowledgement of Country
 2. Apologies
 3. Declarations of Interest
 4. Deputations
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1. Acknowledgement of Country

In opening the meeting the Mayor provided an Acknowledgement of Country.

2. Apologies

3. Declarations of Interest

4. Deputations

5. Committee Reports

5.1 North East Weight of Loads Group (NEWLOG)

Section	Infrastructure Planning
Objective	To provide Council with an annual update on the operations of NEWLOG and to endorse the budget for 2025/26.

Background

The North East Weight of Loads Group (NEWLOG) is a resource sharing co-operative between seven member councils; Ballina, Byron, Clarence Valley, Kyogle, Lismore, Richmond Valley and Tweed.

The objective is to reduce damage to Council and classified roads and promote road safety, by policing of vehicle weights as prescribed in the Acts and Regulations relevant to overloading.

Corporate services for NEWLOG such as finance, administration, employment of staff etc are provided by Ballina Shire Council, with Council charging an overhead recoupment fee to the other member councils.

NEWLOG, which is not a separate legal entity, has previously operated under a Memorandum of Understanding (MOU) with Transport for NSW (TfNSW).

The National Heavy Vehicle Regulator (NHVR) has now assumed this management role from TfNSW and a MOU between NEWLOG and the NHVR has been developed.

A two-year MOU with NHVR was finalised and signed commencing 1 July 2024.

The change from TfNSW to NHVR is working well and is a positive change. NHVR hold a more direct interest in mass limit enforcement, within their other activities, compared to the level of interest formally shown by TfNSW.

Key Issues

- Financial sustainability
- Cost and outcomes

Discussion

A draft Long Term Financial Plan (LTFP) has been prepared for NEWLOG, which considers forecast revenues and expenses. The LTFP is included as Attachment 1 to this report.

The contribution from the NHVR to NEWLOG for 2024/25 is \$245,000. This includes an increase from the previous year of 4.1% which is determined by the percentage change in the Consumer Price Index.

5.1 North East Weight of Loads Group (NEWLOG)

The MOU agreement defines NHVR to follow a similar process for 2025/26. The LTFP incorporates future member contribution increases that were adopted during a previous NEWLOG AGM, held on 29 September 2020.

These proposed increases were 7.5% for three years (commencing in 2020/21) followed by a 5% increase for one year and 3% from then on.

Accordingly, the LTFP now adopts the 3% figure, and this will be monitored by the NEWLOG member councils.

In 2024/25, the contribution from Council was approximately \$47,500 meaning the contribution for 2025/26 will be \$49,000.

From the perspective of the NEWLOG members, the costs to sustain the operation remain an excellent investment in terms of reducing the long-term pavement damage caused from overloaded vehicles.

The program is also important from a safety perspective, as overloaded and off route vehicles, increase safety risks.

The damage to road infrastructure from overloading can be immediate, or gradual over the long term.

Overloaded trucks can cause structural elements, such as bridges and culverts to fail, or overloaded trucks can cause rutting damage, or cause significant wear on bitumen seals.

The more significant impact is the longer damage, or degradation, of road pavements. The effect of this is to reduce the design life of a road, meaning the community is exposed to the costs of more frequent renewals.

The damage caused by overloading an axle above the equivalent design standard increases exponentially. Even a minor heavy vehicle overload, repeated over and over, can have significant consequences in terms of reducing the remaining life of a pavement.

From an engineering perspective, this is described as the fourth power rule, as the effect of the additional load to a standard axle load is raised by the fourth power.

For example, an increase of loading (tonnes) on all heavy vehicles of 5% would result in an increase in standard axle loading of $1.05^4 = 1.2155$, or a 21.6% increase in pavement damage.

Looking at the value of Council's road assets, and the cost to renew these each year, the contribution to NEWLOG provides an effective return on investment, as it reduces the cost of damage from overloaded vehicles.

It is difficult to quantify in economic terms the benefits to road safety from the NEWLOG enforcement program. However, overloaded trucks, or trucks operating off approved routes, also increase the safety risk to road users. As well as the emotional and other impacts from road accidents, accidents are also an economic loss to the community.

5.1 North East Weight of Loads Group (NEWLOG)

Attachment 1 outlines recent financial results, and forecasts, for the period from 2019/20 to 2034/35. Recent results and forecasts for the next four years are summarised in the following table.

Table One - NEWLOG - Financial Overview 2023/24 to 2028/29 (\$'000)

Description	2023/24 Actual (\$'000)	2024/25 Estimate (\$'000)	2025/26 Estimate (\$'000)	2026/27 Estimate (\$'000)	2027/28 Estimate (\$'000)	2028/29 Estimate (\$'000)
Operating Revenues	401	343	352	361	370	380
Less Operating Expenses	531	607	623	640	657	674
Operating Result	(130)	(264)	(271)	(279)	(287)	(294)
Excl Deprec / Loss on Sale	28	27	28	29	30	31
Cash Result	(102)	(237)	(243)	(250)	(257)	(263)
Reserve						
Opening Balance	446	668	684	784	887	814
Cash Result	(102)	(237)	(243)	(250)	(257)	(263)
Add Members Contributions	323	333	343	353	364	375
Less Capital Expenditure	0	(80)	0	0	(180)	0
Closing Balance	667	684	784	887	814	926

In reviewing The 2024/25 figures, for the year to date, there are no extraordinary items, accordingly the estimates included in Attachment 1 adopt small variations, with operations forecast to remain similar to previous years.

An operating cash loss is forecast annually, which is offset by member capital contributions.

In addition, \$180,000 is anticipated to be spent in 2027/28 for a new set of portable scales for weighing trucks.

NEWLOG's scale supplier has confirmed that the current model held by Council is no longer manufactured and that servicing / calibrations services will cease as early as 2027 for the outdated model.

Financial / Risk Considerations

Council contributes financially to the operations of NEWLOG, as well as providing support and management of the joint venture.

Options

This report is for information, with Council also asked to support the draft 2025/26 budget.

RECOMMENDATION

That Council endorses the draft NEWLOG budget for 2025/26 and Long-Term Financial Plan, as per Attachment 1 to this report.

Attachment(s)

1. NEWLOG Draft Long Term Financial Plan

5.2 Rating Structure - 2025/26

Delivery Program

Financial Services

Objective

To confirm the preferred ordinary rating structure for the 2025/26 rating year for the public exhibition of the draft 2025/26 Operational Plan.

Background

The Independent Pricing and Regulatory Tribunal (IPART) announced a rate peg limit of 3.8% for Ballina Shire Council for the 2025/26 rating year.

This means that the average rate for the three rating categories, business, residential and farmland, would normally increase by close to 3.8% in comparison to 2024/25.

However, Council can review the distribution of rates, by way of determining the rating structure. This means Council can alter the way the rate burden is distributed between rating categories.

A “Rating Structure – 2025/26” report was provided to the 12 March 2025 Finance and Facilities Committee meeting.

The report outlined the methodology that has been used to set the base amount rating structure and ordinary rate for several years.

The report highlighted that the methodology included setting a percentage yield from the business category. Over several years, that methodology had caused business properties to wear more than a proportionate share of the overall increase in rates each year.

Since 2019/20, Council has been mindful of business rates and has ensured that the differential between business rates and residential rates has not increased, with efforts made to reduce the differential. The method in which to achieve this outcome has been to reduce the percentage yield from business rate income.

For the 2024/25 year, the percentage yield for business rates was set at 18.85%. It had been proposed for 2025/26 that the percentage yield for business be set at 18.65%.

The report to the March 2025 Finance and Facilities Committee also noted that the farmland rate in the dollar, using this structure, is around 89% of the residential rate in the dollar.

The proposed rating structure, inclusive of a 18.65% business yield and farmland rate in the dollar of 89% of residential, was presented as Scenario 3, in Tables Thirteen and Fourteen of that report.

The report recommendation was revised with Council subsequently

5.2 Rating Structure - 2025/26

recommending, and adopting at the 27 March 2025 Ordinary meeting, the following resolution:

That this matter be deferred to the April Finance and Facilities Committee meeting to examine a rating structure that lowers the business rate differential.

This report presents an analysis of rating structures with lower business rate differentials.

Key Issues

- Impacts of changes in the proportional contribution to total rate income
- Equity

Discussion

The report to the March 2025 Finance and Facilities Committee presented three scenarios using business yields of 18.85%, 18.77% and 18.65%, respectively. The recommendation was to apply a business yield of 18.65%.

Using a business yield of 18.65% resulted in a differential of 587% between business and residential properties for 2025/26, which was a reduction from the differential of 595% for 2024/25.

This report explores models whereby the business yield is further reduced.

Within this report, the business yield of 18.65% is Scenario 1. Scenarios 2, 3 and 4 use business yields of 17%, 15% and 10%, respectively.

Scenario 5 removes the reliance on any differentials for the business and farmland categories. This results in a business yield of 5.96%. This is included to demonstrate how the model responds to changes in the differential.

Scenario 1 – 2025/26 Rating Structure using 18.65% Business Yield

Scenario 1 has modelled the rating structure using a business yield of 18.65%, with the data in the following tables reproduced from the March 2025 report.

Table 1 - 2025/26 Rating Income and Yield

Rating Category	Revenue (\$)	Category % Base Charge	Category % of Total Yield	Average Rate (\$)
Residential	23,560,699	49.88	74.88	1,319
Business	5,867,435	15.08	18.65	4,269
Farmland	2,034,759	31.83	6.47	2,065
Mining	0	0.00	0.00	0
Totals	31,462,893	N/A	100.00	1,556

Table 2 - 2025/26 Rating Structure

Rating Category	Base Amount	Rate in Dollar
Residential	656	0.096460
Business	656	0.565900
Farmland	656	0.085300
Mining	656	0.565900

5.2 Rating Structure - 2025/26

Under this structure, the business rate in the dollar is 587% and farmland is around 88% of the residential rate.

The average rate for residential properties is \$1,319. This compares to an average rate of \$1,271 in 2024/25, an increase of \$48, or 3.8%.

The average rate for business properties is \$4,269. This compares to an average rate of \$4,144 in 2024/25, an increase of \$125, or 3%.

As detailed within the March Rating Structure report, most residential and farmland rates increase in the range of 3.5% to 4.4%, while business rates increase in the range of 3% to 3.4%.

This means that the residential ratepayers wear more of the total 2025/26 rate peg increase of 3.8%, in favour of business ratepayers.

There are variations from the average across the rating base.

Whilst the average residential land value is currently \$687,657, 22% of properties have land valuations of \$900,000 or greater and 16% of properties have land valuations of \$1m or greater. Those with land values above the average have a larger increase.

As an example, for a residential property with a land value of \$1m, the rate would increase from \$1,556 in 2024/25 to \$1,620 in 2025/26, an increase of \$64, or 4.1% from 2024/25.

Scenario 2 – 2025/26 Rating Structure using 17% Business Yield

Scenario 2 has modelled the rating structure using a business yield of 17%.

Table 3 - 2025/26 Rating Income and Yield

Rating Category	Revenue (\$)	Category % Base Charge	Category % of Total Yield	Average Rate (\$)
Residential	24,034,878	49.86	76.39	1,346
Business	5,348,441	16.87	17.00	3,891
Farmland	2,079,593	31.76	6.61	2,111
Mining	0	0.00	0.00	0
Totals	31,462,913	N/A	100.00	1,556

Table 4 - 2025/26 Rating Structure

Rating Category	Base Amount	Rate in Dollar
Residential	671	0.098140
Business	671	0.504710
Farmland	671	0.087147
Mining	671	0.504710

This scenario is more favourable to businesses than Scenario 1.

Under this structure, the business rate in the dollar reduces to 514% higher than the residential rate in the dollar and farmland is around 89% of the residential rate.

5.2 Rating Structure - 2025/26

For Scenario 2, as compared to Scenario 1, the average rate for residential properties is increased further by \$27 to \$1,346. This represents a total increase of \$75, or 5.9% from 2024/25.

For a residential property with a land value of \$1m, the rate would increase to \$1,652, an increase of \$96, or 6.2% from 2024/25.

The average rate for business properties is decreased by \$378 to \$3,891, compared to Scenario 1.

Under this scenario, residential and farmland rates increase in the range of 5.9% to 6.3%, compared to 2024/25.

Business rates for those business with land values at the lower end increase by 1.6%, compared to 2024/25. This is the case for 21% of all business properties.

Business rates for 79% of business properties decrease in the range of 2% to 7.6%, compared to 2024/25.

Scenario 3 – 2025/26 Rating Structure using 15% Business Yield

Scenario 3 has modelled the rating structure using a business yield of 15%.

Table 5 - 2025/26 Rating Income and Yield

Rating Category	Revenue (\$)	Category % Base Charge	Category % of Total Yield	Average Rate (\$)
Residential	24,609,876	49.86	78.22	1,378
Business	4,719,244	19.57	15.00	3,434
Farmland	2,133,830	31.69	6.78	2,166
Mining	0	0.00	0.00	0
Totals	31,462,949	N/A	100.00	1,556

Table 6 - 2025/26 Rating Structure

Rating Category	Base Amount	Rate in Dollar
Residential	687	0.100496
Business	687	0.430860
Farmland	687	0.089510
Mining	687	0.430860

Under this structure, the business rate in the dollar reduces to 429% higher than the residential rate in the dollar and farmland remains at around 89% of the residential rate.

For Scenario 3, as compared to Scenario 1, the average rate for residential properties is increased by \$59 to \$1,378. This represents a total increase of \$107, or 8.4% from 2024/25.

For a residential property with land value of \$1m, the rate would increase to \$1,692, an increase of \$136, or 8.7% from 2024/25.

The average rate for business properties is decreased by \$835 to \$3,434, compared to Scenario 1.

5.2 Rating Structure - 2025/26

Under this scenario, residential and farmland rates increase in the range of 8.4% to 8.8%, compared to 2024/25.

Business rates would decrease for all business properties, with a decrease of between of 0.7% to 20.4% compared to 2024/25.

Scenario 4 – 2025/26 Rating Structure using 10% Business Yield

Scenario 4 has modelled the rating structure using a business yield of 10%.

Table 7 - 2025/26 Rating Income and Yield

Rating Category	Revenue (\$)	Category % Base Charge	Category % of Total Yield	Average Rate (\$)
Residential	26,047,264	49.92	82.79	1,458
Business	3,145,963	31.11	10.00	2,289
Farmland	2,269,759	31.57	7.21	2,304
Mining	0	0.00	0.00	0
Totals	31,462,986	N/A	100.00	1,556

Table 8 - 2025/26 Rating Structure

Rating Category	Base Amount	Rate in Dollar
Residential	728	0.106238
Business	728	0.246050
Farmland	728	0.095379
Mining	728	0.246050

Under this structure, the business rate in the dollar reduces to 232% higher than the residential rate in the dollar and farmland is around 90% of the residential rate.

For Scenario 4, as compared to Scenario 1, the average rate for residential properties is increased by \$139 to \$1,458. This represents a total increase of \$187, or 14.7% from 2024/25.

For a residential property with land value of \$1m, the rate would increase to \$1,790, an increase of \$234, or 15.0% from 2024/25.

The average rate for business properties is decreased by \$1,980 to \$2,289, compared to Scenario 1.

Under this scenario, residential and farmland rates increase in the range of 14.9% to 15.1% compared to 2024/25.

Business rates would decrease for all business properties, with a decrease of between of 6.3% to 52.6% compared to 2024/25.

Scenario 5 – 2025/26 Rating Structure Eliminated Differentials

Scenario 5 has modelled the rating structure removing the farmland and business differentials.

5.2 Rating Structure - 2025/26

The farmland differential has historically been set at 89% to 90% of the residential rate in the dollar, with no set logic for this percentage, other than providing a discount for farmland properties.

Any differential is a manipulation of the land values, and this scenario details the outcomes if Council relied entirely on land values for each category.

For this to work, different base amounts are needed to ensure that the yield from each rating category does not go above 50%.

Table 9 - 2025/26 Rating Income and Yield

Rating Category	Revenue (\$)	Category % Base Charge	Category % of Total Yield	Average Rate (\$)
Residential	26,125,232	49.91	83.03	1,463
Business	1,874,292	49.92	5.96	1,363
Farmland	3,464,014	50.00	11.01	3,516
Mining	0	0.00	0.00	0
Totals	31,463,538	49.91	100.00	1,556

Table 10 - 2025/26 Rating Structure

Rating Category	Base Amount	Rate in Dollar
Residential	730	0.106558
Business	696	0.106523
Farmland	1,758	0.106457
Mining	696	0.106523

Under this structure, the rates in the dollar are largely the same (with some very minor variations based on rounding).

For Scenario 5, as compared to Scenario 1, the average rate for residential properties is increased by \$144 to \$1,463. This represents a total increase of \$192, or 15.1% from 2024/25.

The average rate for business properties is decreased by \$2,906 to \$1,363, compared to Scenario 1. This represents a total decrease of \$2,781, or 67% from 2024/25.

The average rate for farmland properties is increased by \$1,451 to \$3,516, compared to Scenario 1. This represents a total increase of \$1,531, or 77% compared to the 2024/25 farmland average of \$1,985.

The large increases or decreases in the average rate highlights the impact the impact of the differentials on the actual property valuations.

Community Engagement Strategy

The rating structure will be placed on exhibition for public comment as part of the draft 2025/26 Operational Plan.

Financial / Risk Considerations

The rating structures outlined in scenarios 1 to 5 of this report align with the requirements set out in the Local Government Act and Regulations.

Options

Council can vary the rating structure through changes in the base charge, higher or lower differentials between categories and differentials within categories.

Council has traditionally minimised changes to the rating structure, as changes do not result in increased revenue, but rather they vary the way the ordinary rate burden is distributed across rateable properties.

The following table, as per the report to the 12 March 2025 Finance and Facilities Committee meeting, provides a high-level overview of how Council's rates compare to councils in this region.

Table 11 - Benchmarking from Neighbouring Councils 2024/25 (\$)

Council	Average Business Rate	Average Residential Rate	Average Farmland Rate	Yield Difference
Ballina	4,144	1,271	1,985	0
Byron	4,204	1,614	2,877	7,064,796
Clarence Valley	3,689	1,394	1,947	1,525,227
Lismore	5,475	1,489	2,750	6,465,511
Richmond Valley	3,878	1,298	2,075	202,824
Tweed	3,483	1,689	2,581	7,115,831
Average of Above	3,553	1,452	2,031	2,455,512

Generally speaking, ratepayers might reasonably expect an increase of 3.8%, being the IPART rate peg, in comparison to 2024/25.

Therefore, it is recommended that changes to the structure are made on a steady gradual basis, to lessen ratepayers enduring larger than anticipated rate rises.

If the business yield was reduced more rapidly, this results in larger increases to the residential ratepayer, with those residential properties with land values above the average being most impacted.

This may have unintended impacts on pensioners, who may have less ability to absorb such increases.

The recommendation is to apply the rating structure presented as Scenario 1 to this report, which is consistent with the 12 March 2025 report, based on a business yield of 18.65% of the total yield.

If an alternate rate structure is to be adopted for the purposes of public exhibition, the relevant parts of the recommendations will need to be amended.

RECOMMENDATIONS

1. That for the draft 2025/26 Operational Plan, Council approves the application of a base rating structure, which applies the following principles:

5.2 Rating Structure - 2025/26

- a) Marginally less than 50% of the rate income for the residential category of properties being generated from the base amount
 - b) Business, farmland and mining categories to have the same base amount as the residential base amount
 - c) A total of 18.65% income from the rate yield to be sourced from the business category properties
 - d) Farmland rate in the dollar is approximately 88% of the residential rate in the dollar
 - e) The mining category rate in the dollar to be set as the same rate as the business category (currently no mining category properties in the shire).
2. That Council notes the indicative figures for this rating structure for the 2025/26 rating year, are as per Tables 1 and 2 of this report, based on the 3.8% IPART approved rate peg.

Attachment(s)

Nil

5.3 Fees and Charges - 2025/26

Section Financial Services

Objective To obtain Council approval to exhibit the draft 2025/26 fees and charges for public comment.

Background

An important part of Council's resourcing strategy is the setting of fees and charges for the provision of works and services. Ordinary rates, waste, water, and wastewater annual charges are the primary income sources for Council and this report deals with the myriad of other Council fees and charges.

A list of all these fees and charges is compiled annually and advertised for public comment as part of the draft Operational Plan.

A copy of the draft fees and charges document for 2025/26, is included as Attachment 1 to this report.

The Local Government Act and National Competition Policy also require councils to establish pricing categories to allocate against each fee and charge, with the category identifying the level of cost recovery for the fee.

Council's adopted categories, which are standard for most councils, are as follows:

- Business / Commercial – Fee set in accordance with the market, with the fee aiming to generate a return for Council
- Full Cost Recovery – Fees set to recover the full cost of the service
- Partial Cost Recovery – Fees set at a reasonable cost for the user to bear. The balance of the cost of providing the service is funded from general revenue
- Fixed by Legislation – Fees set by legislation.

Key Issues

- Opportunities to recover the cost of Council services
- Affordability and reasonableness

Discussion

The fees mentioned in this report include new fees or price changes which may fall outside of an expected cost of living increase.

The Consumer Price Index (CPI) released by the Australian Bureau of Statistics was 2.4% for the 12 months to 31 December 2024.

Wages and salaries, underpinned by Local Government Awards, increased by approximately 4% in July 2024 and will have a similar increase in July 2025.

5.3 Fees and Charges - 2025/26

IPART has approved a peg rate of 3.8% for 2025/26 for Ballina Shire Council, for ordinary rates.

The rate peg is underpinned by reference to a Local Government Cost Index (LGCI), which represents a weighted index of price movements incurred by Local Governments.

The LGCI is relevant in the context of council costs for delivery of services.

In reviewing the proposed Fees and Charges for 2025/26, a benchmark of around 4% has been applied, with this report commenting on increases that fall outside that benchmark.

Corporate and Community Division – Financial Services (Page 2)

Other than Interest on Overdue Rates and Charges (still to be determined), fees within the Financial Services section have remained unchanged.

Interest on Overdue Rates and Charges (page 2)

Council charges interest on overdue rates and charges in accordance with Section 566 of the Local Government Act.

The maximum interest rate is determined by the Minister of Local Government, by notice in the State Government Gazette on an annual basis.

The maximum interest rate for the 2025/26 year has yet to be announced by the Minister of Local Government.

This will be available prior to the June 2025 Ordinary meeting, to allow Council to adopt the interest rate at that meeting.

Corporate and Community Division – Communications and Visitor Information Centre (Page 3)

A new fee is introduced for Airport Brochure Display Fees.

The existing fee of \$150 for display across a six-month period remains unchanged, for brochures of DL size.

A higher fee, of \$300 for display across a six-month period is introduced for A5 to A4 magazines or booklets, which are larger in size.

This is to accommodate various brochures in the display wall. The larger size allows for increased visibility and justifies a higher fee.

Other fees are unchanged.

Corporate and Community Division – Information Management (Pages 3 to 4)

The fees remain unchanged.

Corporate and Community Division – Commercial Services (Page 4)

The rentals charged by Council for the commercial use of footpaths in the CBDs of Ballina, Lennox Head and Alstonville are based on independent valuations undertaken in 2013 which have been indexed annually in accordance with CPI movements.

Following on from the finalisation of the Lennox Head Town Centre upgrade it was timely to review rentals charged by Council for the commercial use of footpaths in all three CBDs, i.e. Ballina, Lennox Head and Alstonville.

An independent valuer was appointed to assess the rentals charged for the commercial use of footpaths in all three CBDs and the revised fees are outlined in the following table.

The rentals reflect an increase in land values and the improvements Council has undertaken on footpaths.

Description	2024/25	2025/26
Commercial Use of Council Footpaths		
Ballina (per m2)		
Area A River St - Martin St to Cherry St	\$73	\$120
Area B River St - Cherry St to Moon St	\$55	\$157
Area C River St - Moon St to Grant St	\$34	\$92
Area D River St - Grant St to Kerr St	\$32	\$76
Area E Tamar St - Martin St to Cherry St	\$31	\$76
Area F Tamar St - Cherry St to Moon St	\$32	\$81
Area G Tamar St - Moon St to Grant St	\$28	\$76
Area H Tamar St - Grant St to Kerr St	\$26	\$71
Area I Cherry St - River St to Tamar St	\$39	\$114
Area J Moon St - Fawcett St to River St	\$42	\$127
Area K Moon St - River St to Tamar St	\$39	\$114
Lennox Head (per m2)		
North Precinct - 65-98 Ballina St	\$71	\$255
South Precinct - 51-64 Ballina St	\$51	\$235
Alstonville (per m2)		
Alstonville	\$39	\$52
All other Areas (per m2)		
All other areas	\$47	\$50

The proposed fees for 2025/26 are significantly higher, with some over a 200% increase.

To provide context, in 2024/25 the fees for Tweed Shire Council ranged between \$133 and \$209 per square metre, and for Byron Shire Council fees ranged between \$187 to \$622 per square metre.

The fees reflect the new external valuations and represent a catch-up based on Council only applying the CPI for several years.

5.3 Fees and Charges - 2025/26

In relation to new application fees, amendment fees and renewal fees, an analysis of staff time was completed and benchmarked against neighbouring Councils, with the following changes proposed for 2025/26.

Description	Ballina 2024/25	Ballina 2025/26	Tweed 2024/25	Byron 2024/25
Commercial Use of Council Footpaths				
New application Fee	\$88	\$370	\$612	\$679
Amendment to CUOF Approval Area	\$88	\$370		
Five Year Renewal of Application	\$88	N/A	\$330	\$339
Seven Year Renewal of Application (no change to approval area)	N/A	\$185	N/A	N/A

The renewal period has been extended from five years to seven years, as resolved by Council in 2024.

Corporate and Community Division – Ballina Byron Gateway Airport (Pages 4 to 8)

Aircraft Parking Fees - Exemptions (page 6)

A new line item is included, to note single overnight parking fee waivers for bona fide charity flights.

This applies whether the charity flight is aeromedical transfer or volunteer disaster response freight/personnel.

Airport Public Car Park (page 7)

Car parking fees and ground transport access (taxis, rideshare, shuttle busses etc) remain unchanged.

Corporate and Community Division - Community Facilities (Pages 9 to 18)

There are no structural changes for the fees charged, with increases of approximately 4% for all fees.

Corporate and Community Division – Community Swimming Pools (Page 19)

There are no changes proposed to the spectator / carer / supervisor fees or the Learn to Swim Initiative.

Minor increases are for proposed for the single-entry fees. Refer to the following table.

All other entry fees (Ten Ticket Passes, 3 Month Passes, Full Season Passes) are increased by approximately 2%.

Council also resolved as follows at the 27 February 2025 Ordinary meeting:

That Council review the swimming pool admission pricing and seek options (such as the introduction of single-entry tickets for larger families) for making

5.3 Fees and Charges - 2025/26

general entry fee to the Alstonville and Ballina swimming pools more accessible.

Staff reviewed the admission prices at other regional council pool facilities and found that the Ballina Shire Council pool admission fees and charges are comparable to those of Tweed Shire, Lismore City and Coffs Harbour City councils.

Coffs Harbour and Tweed offer a family admission fee.

Coffs Aquatic Facility is \$23 for two adults and two children (plus \$5 per additional child).

They have similar pricing for their Sawtell and Woolgoolga swimming facilities, which are \$20.80 for two adults and two children (plus \$4.60 per additional child).

The Tweed Shire family admission is \$22 (plus \$5.20 per additional child).

The proposed entry fees for Ballina Shire for 2025/26 are \$6.50 for an adult and \$5.50 for a child.

For a family of two adults and two children, this totals \$24.

A reduced family entry fee could be \$23 for two adults and two children with further children charged at a reduced rate of \$5 per child.

For a family of five, with two adults and three children, entry would be \$28.

The following table provides comparisons between regional aquatic facilities, noting that Coffs Harbour has different prices for each facility, and the comparison is for their Sawtell and Woolgoolga swimming pools.

Entry type	Ballina Shire Council 2024/25	Ballina Shire Council 2025/26	Tweed Shire Council 2024/25	Lismore City Council 2024/25	Coffs City Council 2024/25 (Woolgoolga +Sawtell)
Children	\$5.20	\$5.50	\$5.20	\$5.55	\$5.70
Concession	\$5.20	\$5.50	\$5.20	\$5.55	\$5.20
Adult	\$6.30	\$6.50	\$6.00	\$6.35	\$6.20
Family pass (two adult two child)	N/A	\$23.00 + \$5.00/child	\$22.00 + 5.20/child	\$21.85	\$20.80 + \$4.60/child
Ten pass (adult)	\$57.00	\$58.00	\$55.00	\$61.40	\$54.00
Full Season pass (adult)	\$500.00	\$512.00	\$496.00	\$468.00	N/A
Spectator	\$3.00	\$3.00	\$4.20	\$3.85	\$2.60

Council's swimming pool fees and charges are competitive.

Given the increased operational and maintenance costs, it is challenging to propose further reductions in entry fees and charges.

If Council wishes to further reduce the family fee, that will need to be added to the recommendations for this report.

Civil Services Division - Water (*Pages 20 to 22*)

The draft Water Access and Consumption Charges are as per the outcomes from the report titled "Water Operations – Long Term Financial Plan – Update" meeting held 12 March 2025.

Other charges have increased in the range of 2% to 4%.

Civil Services Division – Wastewater and Wastewater Services (*Pages 22 to 25*)

1.

The draft Wastewater Access and Usage Charges are as per the outcomes from the report titled "Wastewater Operations - Long Term Financial Plan" to the Finance and Facilities Committee meeting held 12 March 2025.

A new fee for Septage Disposal Clean Up Charges is proposed.

This is to apply to the cost of clean-up at the septage disposal station at the Ballina Wastewater Treatment Plant when contractors leave the site in an unsatisfactory condition after disposal of septage. The charge is to be at cost.

Other charges have increased in the range of 2% to 4%.

Civil Services Division – Waste Management (*Pages 26 to 28*)

2.

The draft Waste Charges are as per the outcomes from the report titled "Waste Operations - Long Term Financial Plan" to the Finance and Facilities Committee meeting held 12 March 2025.

Civil Services Division – Infrastructure Planning (*Pages 28 to 29*)

Roads & Public Space Hoarding & Temporary Fencing (page 29)

A new fee for use of parking space or per 6m lineal frontage on road in business areas is proposed. The fee is proposed as \$60 per day.

This fee is proposed to be used when builders etc occupy parking spaces, or street frontage, for days/weeks to undertake renovations etc.

Civil Services Division – Burns Point Ferry (*Pages 30 to 31*)

Fee increases are generally in the range of 2 to 3%.

Planning and Environmental Health Division - Development Services (*Pages 32 to 41*)

Building Information Certificates - Urgency Fee (page 33)

This fee is proposed to be increased from \$56 to \$175, with the delivery time within 72 hours.

This fee adjustment is based on a review of other urgency fees offered by Council and in response to revised service standards necessary to accommodate the Minister's Expectations Order for DA assessment timeframes, as well as in response to current staffing levels.

5.3 Fees and Charges - 2025/26

The urgency fee price has been standardised for all urgency fees charged by the Development Services section.

Swimming Pool Compliance Fees - Urgency Fee (page 33)

This fee is proposed to be increased from \$66 to \$175, with the standardising of all urgency fees charged by the Development Services section.

This is also for the delivery time within 72 hours.

Section 735A Certificates – Urgency Fee (page 34)

A new fee is proposed to allow application for a Section 735A to be provided within a 48-hour turnaround time.

This fee is proposed to be set at \$175, with the standardising of all urgency fees charged by the Development Services section.

Amended Section 68 Application Fee (page 34)

A new fee, of \$180, is proposed for the occasions when amendments are requested.

This fee is consistent with that charged by other councils and is set at a lower rate than the Section 68 Application Fee.

Plumbing and Drainage – Section 68 Application per individual system (page 35)

This fee is proposed to increase from \$260 to \$480.

The increase is based on a review of professional staff time as well as benchmarking against other councils.

Wastewater Services - Urgency fee (page 35)

This fee is proposed to be increased from \$51 to \$175, with the standardising of all urgency fees charged by the Development Services section.

The delivery time is increased from within 24 hours to within 48 hours.

Subdivision Certificates – Property Address Administration Fee (page 37)

A new fee, of \$60, is proposed for the purpose of checking administration sheet by staff to confirm addressing accuracy.

This is considered a modest fee for the service to assist applicants in identifying the correct address for newly created allotments.

Section 10.7 Planning Certificates – Urgency Fee (page 40)

A new fee is proposed to allow application for a Section 10.7 Planning Certificate to be provided within a 48-hour turnaround time.

5.3 Fees and Charges - 2025/26

This fee is proposed to be set at \$175, with the standardising of all urgency fees charged by the Development Services section.

Development Compliance & Advice Fee – Review an Order (page 41)

A new fee, of \$330 is proposed for the Review of an Order. This fee is to clarify a fee when such a request is made and is consistent with other councils.

Development Compliance & Advice Fee – Fee in relation to development compliance regulatory functions (per hour) – per Officer (page 41)

The fee, which had been set at \$242 is revised to \$240, with consistency applied across the division.

Planning and Environmental Health Division – Health and Environment (Pages 41 to 45)

On Site Sewage Management System Application – Section 68 – Issue of Approval to Install (page 41)

This fee is proposed to be increased from \$345 to \$480.

The increase is based on a review of professional staff time as well as benchmarking against other councils.

Animal Care and Health – Vaccination of Cats and Dogs (Page 41)

Two new fees are proposed:

Description	2024/25	2025/26
Vaccination of Cats	N/A	\$140
Vaccination of Dogs	N/A	\$160

This is a new requirement for rehoming of animals from Council's care into facilities. These fees are based on veterinary costs incurred by Council.

Market Casual Food Vendors (page 43)

Council last resolved in 2014 to move towards full cost recovery for the food surveillance program and the fees were adjusted to align with the administration and inspection charges as set out under the Food Regulation Act 2015.

Council's annual fees have not been adjusted other than CPI each year. A full review of fees and charges has been undertaken for 2025/26 with the proposed fees being:

Description	2024/25	2025/26
Market Food Stall – High Risk	\$150	\$155
Market Food Stall – Medium Risk	\$120	\$125
Market Food Stall – Low Risk	\$50	\$85

It is also now appropriate to transition to food safety risk-based categories for food businesses.

5.3 Fees and Charges - 2025/26

The Regulation identifies three tiers of administration fees based on the size of the food business.

Changing the licence types to better align with the tiered administration fees will help to streamline Council's registration process, and to introduce a more equitable fee structure proportionate to the size (and therefore food safety risk) of the food business.

The fee inequity has become more apparent over time with the introduction of additional risk management tools to food outlets that prepare and serve high-risk foods.

The fee that applies to less time-intensive/lower risk food businesses also applies to the more time-intensive inspections required for larger/higher risk food businesses.

Investigation into annual fee structures of other Northern Rivers and Mid North Coast councils indicates that most of these councils already identify their annual inspection fees in line with those set under the Food Regulations.

The changes to the licence types allocated to our local food businesses will bring Ballina Shire into alignment with the practices of these and similar, local councils.

Public Health Events – Inspection Fee (page 43)

This hourly rate charge is proposed to be increased from \$290 to \$360.

Food Premises Inspection/Registration (Annual) (Page 43)

These fees relate to the inspection and registration of supermarkets, licensed clubs and venues, retail food services, school canteens, childcare centres etc.

Amendments to categorisation are proposed and associated fee changes are in the range of 5% to 110%.

Refer to page 43 of the draft Fees and Charges document for detail.

Food Premises fit-out assessment & written report (page 43)

A new full cost recovery fee is proposed, with a minimum fee of \$480 and then \$240 per hour after 2 hours.

This fee has been included to enable requests and applications, particularly from Private Certifiers, to review plans for food fit outs as a part of Complying Development Certificates.

Caravan Parks, Camping Grounds & Manufactured Home Estates – Approval to operate (Section 68) New/Renewal and or Amend – General Application Fee (page 44)

This fee is proposed to increase from \$480 to \$600.

The increase is based on a review of professional staff time as well as benchmarking against other councils.

5.3 Fees and Charges - 2025/26

Planning and Environmental Health Division – Strategic Planning (Pages 45 to 46)

Planning Proposals and Local Environmental Plan Amendments (Page 45)

All these fees are proposed to increase by 10%, reflecting an ongoing increase in complexity of proposals and the associated required staff time.

Post Gateway Determination Fees – Stage 3 (Page 45)

All these fees are proposed to increase by 10%, reflecting an ongoing increase in complexity of proposals and the associated required staff time.

Voluntary Planning Agreements (Page 45)

New fees are proposed in relation to Voluntary Planning Agreements (VPAs) as shown below:

Description	2024/25	2025/26
Legal and Other Associated Costs	At Cost	At Cost
Review of Initial Offer	N/A	No charge
Negotiation, Preparation and Management of Planning Agreement	N/A	\$1,500
Amendment of a Planning Agreement	N/A	\$1,000
Planning Agreement Supervision	N/A	No charge

The Review of Initial Offer is introduced to display a possible future intent to charge for initial review of Voluntary Planning Agreements to reflect resources that are spent on this.

No charge is proposed at this stage as staff want to encourage the use of VPAs in addressing planning matters.

Negotiation, Preparation and Management fee replaces the Administration Management Fee listed for 2024/25 and goes some way to reflect more accurately Council's costs for processing VPAs.

This may be increased in future years.

Amendment of a Planning Agreement fee is added as there is currently no mechanism for cost recovery available for processing amendments.

Planning Agreement Supervision fee, also at no charge, introduced to display a possible future intent to charge for resources used to ensure compliance with a VPA once executed.

Specialist Study (Page 45)

Proposed to increase by 10%, to better reflect associated required staff time.

5.3 Fees and Charges - 2025/26

Development Control Plan Amendments (Page 46)

All these fees are proposed to increase by 10%, reflecting on going increase in complexity of amendments and the associated required staff time.

Markets on Public Land (Page 46)

This fee is proposed to be increased from \$210 to \$240.

The increase is to better reflect the true processing cost of application.

Planning and Environmental Health Division – Northern Rivers Community Gallery (NRCG) (Pages 46 to 48)

Ignite Studios (page 46 to 48)

Ignite space hire rates are proposed to remain low to remain competitive and affordable. There are a few slight adjustments in pricing, with some rates slightly lower than the 2024/25 rate.

Refer to pages 46 to 48 for all Ignite Studios fees.

Planning and Environmental Health Division – Open Spaces (Pages 48 to 49)

Professional Services Fee (page 48)

A new fee, at a rate of \$240 per hour, is introduced as a fee for service for open space and public land management functions, with that fee consistent with professional fee charges in other sections of the division.

Sporting Fields (page 48)

These fees remained unchanged.

Planning and Environmental Health Division – Cemetery Fees (Pages 49 to 52)

All cemetery fee increases are consistent with CPI, noting there are changes made to the fee structure, where the purchase of interment rights have been included in the fee breakdown.

This action meets the requirements recently determined by Cemeteries & Crematoria NSW.

Refer to pages 49 to 52 for all Cemetery Fees.

Community Engagement Strategy

This report has been prepared following consultation across Council's entire operations.

Once approved the draft document will be exhibited for public comment as part of the draft 2025/26 Operational Plan.

Financial / Risk Considerations

Discretionary fees and charges are a major source of revenue to Council.

It is important for Council to try and recover as much of the cost of providing a service possible, and as deemed appropriate, from discretionary fees, as otherwise is subsidising the service through general rate revenue, with that revenue restricted by rate pegging.

Options

Council may approve the contents of this report or resolve to add, delete, or amend the proposed 2025/26 fees and charges.

The recommendation is to exhibit the draft fees and charges for public comment.

In responding to the resolution relating to reduced family entry fee for the Ballina and Alstonville Swimming Pools, one option is to introduce a rate of \$23 for two adults and two children with further children charged at a reduced rate of \$5/child.

An alternative option is to provide no family entry fee and keep the fees and charges as per the contents of Attachment 1.

Given the increased operational costs for the pool facilities, it is challenging to propose further reductions in entry fees, therefore the recommendation currently has no change to the existing structure of the fees.

RECOMMENDATION

That Council approves the exhibition of the draft Fees and Charges for 2025/26, as per Attachment 1 to this report.

Attachment(s)

1. Draft Fees and Charges - 2025/26 (Under separate cover)

5.4 Commercial Property Projects and Cash Reserves

5.4 Commercial Property Projects and Cash Reserves

Section Financial Services

Objective To provide an update on the forecast cash flows for Council's commercial property projects and to provide an overview of the indicative funding that will be available for community infrastructure projects.

Background

Council has a considerable number of commercial property projects that are well advanced, and the objective of this report is to provide an update on the forecast cash flows for those projects. This information will then assist Council in understanding the funds available to assist with the delivery of community infrastructure.

Key Issues

- Potential for variances in the forecasts
- Loan debt and financing options

Discussion

Council's commercial property development activities deliver increased economic activity, largely through the industrial land developments, and provide supplementary revenue streams, to assist Council in delivering services and community infrastructure.

In recent years, due to the number and costs of the commercial property development projects underway, Council has had to undertake major loan borrowings, which in turn increases project risk.

Several of the projects are now well advanced, with land sales being scheduled for the Wollongbar Urban Expansion Area – Stage 3, Southern Cross Industrial Estate – Boeing Avenue and Russellton Industrial Estate.

It is important that Council has a contemporary financial plan in place based on forecast sales, recognising that cash contributions are needed for the construction of a new Ballina SES building, estimated at \$6m plus, as well as the refurbishment of the Alstonville Cultural Centre, estimated at \$16m plus.

This excludes any other major infrastructure projects that Council would like to see delivered.

Council manages the commercial property development activities, through two internal cash reserves, being the Property Development Reserve and the Community Infrastructure Reserve.

The Property Development Reserve provides the cashflows in and out for the commercial property developments, with dividends then transferred to the Community Infrastructure Reserve.

5.4 Commercial Property Projects and Cash Reserves

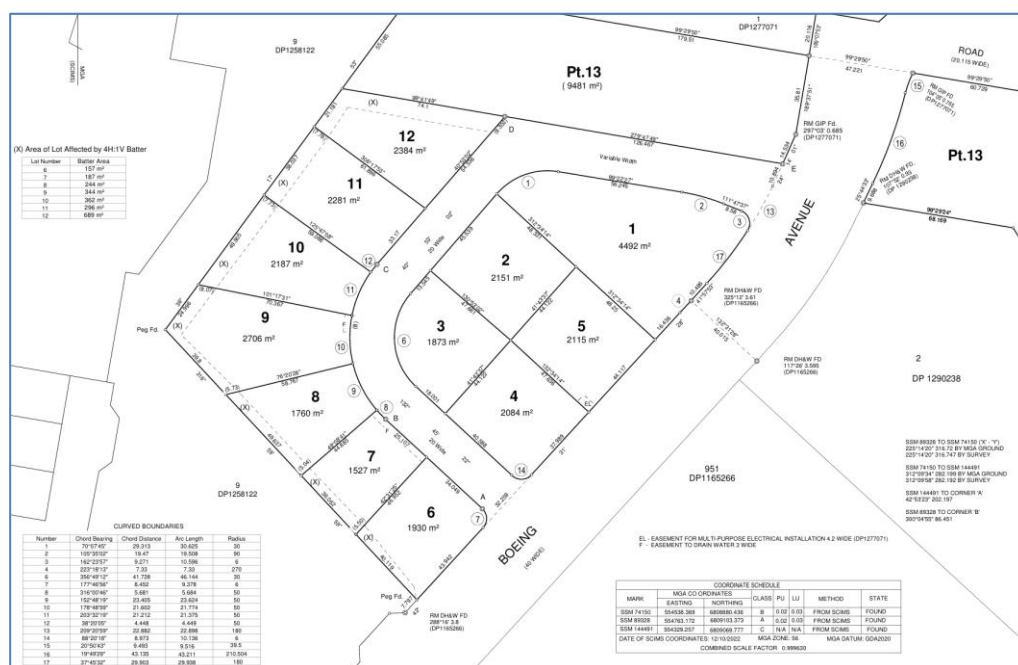
The Community Infrastructure Reserve is funded from the dividends, along with rental income from some commercial properties, with any surplus funds transferred from this reserve to finance community infrastructure.

Updated forecasts for those two reserves, forms a major part of this report, as the forecasts assist Council in determining what funds are available to finance major community infrastructure projects.

The next part of this report provides the latest forecasts for the major commercial projects underway, being the industrial land developments at Boeing Avenue and Russellton, and residential land development at the Wollongbar Urban Expansion Area.

Southern Cross Industrial Estate – Boeing Avenue – Land Subdivision

Council is in the process of finalising the creation of 12 lots, as per the following subdivision plan.



The latest resolution for this project, from a report to the 2 December 2024 Commercial Services Committee meeting, as adopted at the 12 December 2024 Ordinary meeting, is as follows:

1. That Council notes the contents of this report regarding the update on the Boeing Avenue Industrial Land Subdivision project.
2. That Council notes that the General Manager is authorised to sell Lots 1 to 9 (inclusive) in proposed plan of subdivision of Lot 1 DP 1290238 by public auction, along with setting the price reserves based on market conditions and the current elevated level of demand for industrial land.

As per this resolution, lots 1 to 9 are to be sold, with an auction date now confirmed for 30 April 2025.

5.4 Commercial Property Projects and Cash Reserves

In respect to the remaining lots, being 10 to 12, Council resolved at the 22 February 2024 Ordinary meeting, to retain those lots for potential leasing.

An extract from the 14 February 2024 Commercial Services Committee meeting recommendation, as adopted at the 22 February 2024 Ordinary meeting, is as follows

3. *That Council retain Lots 10, 11 and 12 in plan of subdivision of Lot 1 DP 1290238 for potential lease, with the General Manager authorised to undertake a marketing campaign for prospective tenants for the remaining lots, with any proposal to be reported back to Council.*

This resolution was also reported to Council at the 2 December 2024 Commercial Services Committee meeting.

Council has not set funds aside to construct a commercial building, for lease, and it may be preferable to provide a land lease only, with the tenant constructing the building. The Shelly Beach Café and Norfolk Homes (6 Piper Drive, Ballina) leases are based on land leases only.

Commercial leases, where Council has constructed the building, are 89 Tamar Street, Ballina, Fawcett Street Café, and ARC Pty. Ltd. at 2-6 Cessna Crescent (Southern Cross Industrial Estate).

The preference is to commence a lease marketing campaign, once lots 1 to 9 are auctioned, as this will assist in confirming the value of the land and the return needed for a commercially viable lease.

Council has fully funded the construction of the 12 lots on Boeing Avenue from loans, with a total debt of approximately \$6m owing. This also includes the construction of Airport Boulevard, which forms part of the Southern Cross Industrial Estate.

The current forecast cash flow forecasts for this development are as follows.

Table 1 - Boeing Avenue - Cash Flow Forecast

Item	2024/25	2025/26
Forecast Sales (Net)	4,500,000	4,500,000
Less:		
Current Development Budget	450,000	0
Loan Principal Repayments	3,129,000	2,500,000
Loan Interest Payment	286,000	0
Sub Total	3,865,000	2,500,000
Net Cashflow	635,000	2,000,000
Accumulated Funds	635,000	2,635,000

Th Accumulated Funds could be retained to assist in financing the leasing proposals, or transferred to the Community Infrastructure Reserve, in full, or in part, to finance community infrastructure projects.

The forecast sales are conservative, and Council may well sell more than 50% of the lots at the scheduled auction.

5.4 Commercial Property Projects and Cash Reserves

The loans for this project are due to be repaid in full by 30 June 2025, based on the original forecast construction and sales timeframe.

Based on this forecast cashflow, with sales forecast in 2025/26, it will be necessary to extend the current timeframe for the loan borrowing.

The banks require a resolution prior to providing any loan funding, even for loan renewals.

Council will have a firmer idea on the need for any loan extensions following the 30 April 2025 auction.

Russellton Industrial Estate - Land Subdivision

Council has development consent to create 27 serviced industrial lots and a residue lot that includes a water reservoir and buffer zones. Construction of the 27 lots is largely complete, with the lots still to be registered.

Attachment 1 to this report contains a plan of the proposed subdivision.

Council has approved the sale of Lots 17, 18, 28 and 30 to Rous County Council, with settlement anticipated in the first quarter of 2025/26.

Council has also approved the sale of Lot 15 to the adjoining owner (Williams Brothers Service Pty. Ltd., trading as Duraplas Industries Pty. Ltd), with those negotiations still to be finalised.

Council also resolved, at the 2 December 2024 Commercial Services Committee meeting, as adopted at the 12 December 2024 Ordinary meeting, to approve the sale of the remaining lots by public auction.

Based on the estimated timeframe for the completion of all the planning consent conditions, and registration of titles, the auction date is estimated to be sometime during September 2025

The current cash flow forecasts for this development are as follows.

Table 2 – Russellton Industrial Estate - Cash Flow Forecast

Item	2024/25	2025/26	2026/27	2027/28
Forecast Sales (Net)	0	9,000,000	4,500,000	4,500,000
Loan Income	4,150,000	0	0	0
Sub Total	4,150,000	9,000,000	4,500,000	4,500,000
Less:				0
Current Development Budget	3,895,000	50,000	0	0
Additional Development Budget	275,000	0	0	0
Loan Principal Repayments	0	7,150,000	0	0
Loan Interest Payment	264,000	377,000	0	0
Sub Total	4,434,000	7,577,000	0	0
Net Cashflow	(284,000)	1,423,000	4,500,000	4,500,000
Accumulated Funds	(284,000)	1,139,000	5,639,000	10,139,000

5.4 Commercial Property Projects and Cash Reserves

The timing of the sales figure could vary substantially as there is potentially strong demand for flood free industrial land located between Ballina and Alstonville. The sales figures are conservative.

The Additional Development Budget line item of \$275,000 is an allowance for works by Council's Engineering Works Section relating largely to stormwater, to ensure the development meets contemporary standards.

The major commitments for the accumulated funds from this development are the redevelopment of the Alstonville Cultural Centre and the new Ballina SES building.

Wollongbar – Urban Expansion Area – Stage 3 – Residential Land Subdivision (WUEA)

Stage 3 of Council's Wollongbar Urban Expansion Area comprises 30 serviced residential lots and one large lot, being 10 Dundee Avenue, which is allocated for the development of a childcare facility (Lot 31). The plan of subdivision for this development is included as Attachment 2.

Council has resolved to sell the childcare lot, with contracts still to be exchanged. Council has also resolved to sell lots 1 to 18, being the northern part of the site, with the auction date set for 14 May 2025. It is intended to initially auction six lots to gauge the interest in this subdivision.

If there is strong interest, and all six lots sell quickly, a further auction, possibly for all 12 remaining lots, could be held in the next couple of months. If there is little interest, any of the initial six lots unsold can be placed on the open market, with Council then in a position to review the pricing.

In respect to Lots 19 to 30, Council has allocated these lots for a staged residential housing development, with the latest resolution, from the 12 December 2024 Ordinary meeting, based on a report to the 2 December 2024 Commercial Services Committee meeting, as follows:

That Council resolves to proceed with Stage 1 of the revised development scheme for Wollongbar Medium Density Housing Project, based upon the plans prepared by The Kollektive, as outlined in option 2 in this report.

The designs are to be amended whereby the revised townhouse designs are flipped so the nine two-bedroom townhouses go on Lots 26 to 28 and the five two-bedroom townhouses, and two three-bedroom townhouses go on Lots 20 to 22 as this section of Dundee Avenue could accommodate more on-street parking if required.

Once planning approvals are in place for the proposed housing, tenders will be called for construction. This is likely to occur within the next three months.

The report to Council on the construction tender will provide a further update on the feasibility analysis for this project, with the last feasibility included in the 2 December 2024 Commercial Services Committee meeting.

That report included four scenarios based on different housing densities, as well as the Stage 1 development, and the development of all 12 lots for housing.

5.4 Commercial Property Projects and Cash Reserves

There are now two distinct projects for WUEA – Stage 3, being the sale of lots 1 to 18, and the childcare site, as well as the medium density housing development. The current cash flow forecasts for WUEA – Stage 3, excluding the medium density housing, are as follows.

Table 3 – WUEA – Stage 3 - Cash Flow Forecast

Item	2024/25	2025/26	2026/27
Forecast Sales (Net)	3,000,000	5,000,000	3,000,000
Sub Total			
Less:			
Development Budget	506,000	50,000	0
Sub Total	506,000	50,000	0
Net Cashflow	2,494,000	4,950,000	3,000,000
Accumulated Funds	2,494,000	7,444,000	10,444,000

The sales income is for Lots 1 to 18 only, plus the childcare site. The timing is based on six lots sold in 2024/25, ten lots in 2025/26, and two lots in 2026/27, including settlement on the childcare lot.

In respect to the childcare lot sale, the contract documents have been issued to the proponent. The proponent has proposed some amendments, which are under review, with the amendments relating largely to the buyback option (Council buys back property if the childcare centre does not proceed).

Contract exchange is due within three months, which is when the 24-month buyback option period commences. Settlement is then likely in 2026/27.

Council has already funded approximately \$4m in construction costs for WUEA – Stage 3, with those costs funded through earlier property sales, notably the Harvey Norman sale at Boeing Avenue (adjacent to the existing Harvey Norman complex).

The development budget and loan debt in Table 3 relate to smaller costs incurred in finalising the subdivision for sale.

Other Projects

Other commercial property projects underway or under consideration, that are not outlined in Tables 1 to 3, are:

- WUEA – Stage 3 – Residential Housing – As mentioned, tenders are to be called for construction of the Stage 1 dwellings. The estimated construction cost could range from \$5m to \$6m.
- Lennox Head Residential Land Holding – Development of approximately 60 lots. Based on a development cost of \$250,000 per lot, total construction costs could be \$15m.
- Boeing Avenue Industrial Land – Potential lease of three lots. A cash contribution may be needed to construct the leased land / buildings, with this subject to negotiations with potential lessees.

5.4 Commercial Property Projects and Cash Reserves

Property Reserves

Council has created two internal reserves (i.e. cash reserves) to help manage the finances for Council's commercial property development activities. The two reserves are:

1. Property Development Reserve - Manages the cash flows for the actual commercial property developments, with dividends transferred from this reserve to the Community Infrastructure Reserve.
2. Community Infrastructure Reserve – Council allocates funding held in this reserve to fund, in full, or in part, the renewal and construction of community infrastructure projects.

The next two major projects identified in Council's forward financial planning that are funded, in part, by the Community Infrastructure Reserve, are the new Ballina SES building and the Alstonville Cultural Centre Refurbishment.

Based on the updated cash flows in this report the latest forecast movements for the Property Development and Community Infrastructure Reserves, for the four-year term of the 2025/26 to 2028/29 Delivery Program, are as follows.

Property Development Reserve

Recent and forecast movements for this reserve are outlined in Table 4.

Table 4 - Property Development Reserve Movements

Item	2023/24 Actual	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate
Opening Balance	2,693,100	(2,791,000)	159,000	2,396,000	3,935,000	3,563,000
Add: Cash Inflows						
Interest Accrued	207,000	0	4,000	60,000	98,000	89,000
Rental - Norfolk Homes	173,000	182,000	200,000	208,000	216,000	225,000
Rental - ARC	326,000	330,000	341,000	353,000	365,000	332,000
Loan Income - Russellton-	3,000,000	4,150,000	0	0	0	0
Loan Income - Southern Cross	1,524,000	0	0	0	0	0
Sales – Russellton	0	0	9,000,000	4,500,000	4,500,000	0
Sales - Southern Cross	0	4,500,000	4,500,000	0	0	0
Sales - WUEA Stage 3	0	3,000,000	5,000,000	3,000,000	0	0
Sub Total	5,230,000	12,162,000	19,045,000	8,121,000	5,179,000	646,000
Less: Cash Outflows						
71 Tamar Street	0	25,000	0	0	0	0
Estate Operating Expenses	269,000	284,000	484,000	376,000	336,000	250,000
Airport B'vard – Loans P and I	257,000	1,813,000	2,500,000	0	0	0
Russellton – Land Development	3,255,000	4,170,000	50,000	0	0	0
Russellton – P and I	0	264,000	7,527,000	0	0	0
Southern Cross – Development	2,560,000	450,000	0	0	0	0
Southern Cross – Master Plan	4,000	0	0	0	0	0
Southern Cross - Loan P and I	4,205,000	1,602,000	0	0	0	0
WUEA – Development	144,000	506,000	50,000	0	0	0
Dividend – Community Infrass	0	0	6,000,000	6,000,000	5,000,000	0
Dividend – General Fund	20,100	98,000	197,000	206,000	215,000	225,000
Sub Total Outflows	10,714,100	9,212,000	16,808,000	6,582,000	5,551,000	475,000
Closing Balance	(2,791,000)	159,000	2,396,000	3,935,000	3,563,000	3,734,000

The Long-Term Financial Plan (LTFP) ten-year forecast for the Property Development Reserve, including actual transfers to and from the reserve, since 2012/13, is included as Attachment 3 to this report.

5.4 Commercial Property Projects and Cash Reserves

The Property Development Reserve historically held sufficient cash to fund Council's commercial property development activities, however in recent years, Council has had to loan fund many of the projects due to three main reasons:

1. Purchase of 9 Byron Bay Road – This is the site, where the Lennox Head Rural Fire Service Shed is located. The purchase price for this property was \$2.41m, with Council able to recoup approximately \$1.5m of the acquisition cost through the application of Section 7.11 Developer Contributions from Council's Roads Contributions Plan, resulting in a net cost to the Property Development Reserve of approximately \$900,000.

It was envisaged that Council may be able to recoup some of this net cost through residential development of the land not needed for the Hutley Drive corridor.

However, since the land was acquired, Council resolved to construct the new Lennox Head Preschool and the Lennox Head Rural Fire Service on the eastern side of the property, both of which provided no financial return to Council.

The Lennox Head Preschool proposal has now been withdrawn, with the latest resolution on 9 Byron Bay Road arising from the 24 October 2024 Ordinary meeting where Council resolved as follows:

That Council receive a report on the feasibility of providing a return and earn facility, and community storage sheds, on the Council owned land on the corner of Byron Bay Road and Hutley Drive, Lennox Head.

Council is continuing to investigate a bulk return and earn option in the Shire, with the Ballina Resource Recovery Centre appearing to have some potential. A report on the community storage sheds is still to be finalised.

Council has also resolved to retain the western side of 9 Byron Bay Road as a buffer from the road noise for the adjoining residential properties.

Based on the current resolutions there is unlikely to be any further financial return, of substance, from this site.

2. Airport Boulevard Construction – Council originally received a \$3m Federal Government grant for this project, early in the planning phase, where the works had an estimated value of approximately \$7m.

The project was eventually completed at a cost of approximately \$11.3m, with the funding sourced from the Federal grant (\$3m), Property Development Reserve (\$4m) and loan funds (\$4.3m).

This project has provided an entry statement road to the Ballina Byron Gateway Airport, however with the land to the north of the road unlikely to be rezoned in the short to medium term, there is no financial return being generated through additional industrial land sales.

3. High Level of Commercial Property Development Activities in Progress - These two significant financial outlays, with no financial return, resulted in Council then having to loan fund land development activities at Boeing

5.4 Commercial Property Projects and Cash Reserves

Avenue, the last stage of the Russellton Industrial Estate and WUEA - Stage 3 as per the earlier information in this report.

Council had never previously borrowed for commercial property development activities and the current loan liability is forecast to peak at around \$13m this financial year. This is subject to actual development expenditure and dependent on whether any loan liability can be repaid from sale proceeds that eventuate during 2024/25.

Council has been taking out largely short-term loans for these projects, on the basis that the loans will be paid in full when the land is sold.

On the positive side, the forecast land sale proceeds in Tables 1, 2 and 3, total \$38m, reflecting the significant funds that have been, and are being outlaid, to construct the two industrial and one residential subdivision.

In respect to the forecast movements in Table 4 for the Property Development Reserve, a brief explanation for the items for 2024/25 onwards, is as follows.

Cash Inflows

- a) Interest Earned – Represents the estimated interest generated from funds held in the reserve. There is no interest income forecast for 2024/25 as the reserve was overdrawn at the end of 2023/24.
- b) Rental Income – Income from the Norfolk Homes land lease and the ARC building lease, both of which are located at the Southern Cross Industrial Estate, is transferred to this reserve.

This helps to ensure the reserve balance remains positive, following payment of Council overheads and a dividend to the General Fund.

- c) Loan Income – Russellton – Loan funding needed to finance the construction of the Russellton Industrial Estate lots.
- d) Sales – Russellton, Southern Cross and WUEA – Stage 3 – Represents forecast sales proceeds as per Tables 1, 2 and 3 of this report.

Cash Outflows

- a) Operating Expenditure – Includes rates, charges and mowing for our landholdings, as well as corporate overheads distributed to this program.
- b) Airport Boulevard – Loan Principal and Interest - Loan repayments for the Airport Boulevard loans. These loans are due to be paid out in 2024/25, although based on forecast land sales, it will likely be necessary to defer \$2.5m in loan debt payments until 2025/26, to ensure the reserve is not overdrawn.
- c) Russellton – Land Development – Represents the remaining land development costs for this project as per Table 2.
- d) Russellton – Loan Principal and Interest – Repayment of the loan funding for this project as per Table 2. The loans are repaid as sales are generated.

5.4 Commercial Property Projects and Cash Reserves

- e) Southern Cross – Land Development – Land development costs for this project as per Table 1.
- f) Southern Cross – Loan Principal and Interest - Payment – Loan repayments for the Southern Cross land development activities, with the loans paid out in 2024/25. A significant amount of loan funding has already been repaid through earlier sales.
- g) WUEA – Development – Remaining development costs for this project which are funded from the reserve. Earlier development costs, which were funded from loans, have been repaid.
- h) Dividend – General Fund Dividends - Operations – The Property Development Reserve provides an annual transfer to the Commercial Property Program to support the recurrent operations of Council.

This figure varies each year, as it is dependent on movements in operating income and expenses in the Commercial Property Program, as per the LTFP.

A review of the draft LTFP document, as per the report on the General Fund elsewhere in this agenda, highlights that the Commercial Property Program provides an annual net contribution of \$250,000, on a recurrent basis, to the General Fund, which assists in funding the operations of Council.

- i) Community Infrastructure - General Fund Dividends – Infrastructure – This line is an allowance transferred from the Property Development Reserve to the Community Infrastructure Reserve, to help fund community infrastructure.

The amount of the dividend is based on ensuring that the Property Development Reserve is not overdrawn.

The figure is conservative, with the reserve retaining a reasonable positive balance in future years. It is important to have a reasonable balance, as sales income and land construction costs can vary substantially.

The reserve was overdrawn at the end of 2023/24, as significant developer contributions were paid to Council for the Boeing Avenue development, prior to 30 June 2024, to avoid a substantial increase in the value of those contributions.

This was effectively an internal transfer from the Property Development Reserve to the Council reserves held for developer contributions, with the aim being to reduce the development costs for Boeing Avenue.

Overall, it is preferable to retain a reasonable level of funds in the Property Development Reserve to manage any variances in project forecasts and to ensure funds are available for any commercial opportunity that arises.

5.4 Commercial Property Projects and Cash Reserves

Community Infrastructure Reserve

Council undertakes commercial property activities to generate economic activity and to generate supplementary revenue to fund Council services and infrastructure projects.

The Community Infrastructure Reserve is where funds are held that can then be applied to fund, in full, or in part, infrastructure that is a priority for Council.

The importance of the Community Infrastructure in funding infrastructure for Council cannot be understated with tens of millions of dollars transferred from the reserve over the years to ensure essential projects are completed. Examples of major projects funded from this reserve include:

- Angels Beach Drive and Prospect Bridge
- Lennox Head by-pass (Byron Bay Road)
- Northern Rivers Community Gallery Refurbishment
- Kentwell Centre
- Lennox Head Cultural Centre
- Ballina Surf Club
- Ballina Marine Rescue Centre
- Skennars Head Sports Fields Expansion
- Coastal Recreational Path and Walk
- Alstonville, Ballina, Lennox Head and Wardell Town Centre Refurbishments
- Lennox Head Rural Fire Shed

Recent and forecast movements for this reserve are outlined in Table 5.

Table 5 – Community Infrastructure Reserve Movements

Description	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Opening Balance 1 July	5,027,600	4,271,100	3,811,100	3,080,000	2,351,000	3,625,000
Add Cash Inflows						
Interest Earned on Reserve	250,200	196,000	95,000	77,000	59,000	91,000
Rental – 89 Tamar Street	843,000	739,000	739,000	761,000	784,000	808,000
Rental – Fawcett Park Café	77,000	76,000	76,000	78,000	80,000	82,000
Dividend - Prop Dev Reserve	0	0	6,000,000	6,000,000	5,000,000	0
Sub Total Cash Inflows	1,170,200	1,011,000	6,910,000	6,916,000	5,923,000	981,000
Less Cash Outflows						
Outgoings – 89 Tamar Street	162,000	129,000	133,100	137,000	141,000	145,000
Outgoings – Fawcett Park Cafe	17,700	30,000	30,000	30,000	30,000	30,000
Alstonville Cultural Centre	0	0	5,000,000	5,000,000	0	00
Ballina SES Building	0	0	2,000,000	2,000,000	0	0
Lennox Rural Fire Shed	693,000	267,000	0	0	0	0
Loan Payments – Town Centres	493,000	478,000	478,000	478,000	478,000	478,000
Kingsford Smith Upgrades	85,000	0	0	0	0	0
Tamar Street Bus Shelter	276,000	0	0	0	0	0
Gallery Deck Replacement	0	70,000	0	0	0	0
Wardell Centre Revitalization	0	418,000	0	0	0	0
Swimming Pools	200,000	79,000	0	0	0	0
Community Infrastructure	0	0	0	0	4,000,000	3,000,000
Sub Total Cash Outflows	1,926,700	1,471,000	7,641,100	7,645,000	4,649,000	3,653,000
Closing Balance 30 June	4,271,100	3,811,100	3,080,000	2,351,000	3,625,000	953,000

5.4 Commercial Property Projects and Cash Reserves

The LTFFP ten-year forecast for the Community Infrastructure Reserve, including actual transfers to and from the reserve, since 2012/13, is included as Attachment 4 to this report.

In respect to the forecast movements in the Community Infrastructure Reserve, a brief explanation for the line items for 2024/25 onwards, is as follows.

Cash Inflows

- Interest Earned – Represents the estimated interest generated from funds held in the reserve.
- Rental – 89 Tamar Street and Fawcett Street Café – Represents gross rental incomes from these properties. 100% of the income for 89 Tamar Street and Fawcett Park Café is transferred into this reserve.
- Dividend – Represents the dividend from the Property Development Reserve, as outlined in Table 4, which is transferred to this reserve to assist in funding community infrastructure projects.

Cash Outflows

- Outgoings – Relates to the operating expenses for the rental properties.
- Lennox Head Rural Fire Shed – Contribution towards this project for 2024/25.
- Loan Repayments Community Infrastructure – The principal and interest repayments for loan funds relating to certain projects, most notably the Ballina Town Centre and River Street upgrades, and the Lennox Village Vision works, is financed from this reserve.

The funding of these loan repayments is the primary reason 100% of the rental income from 89 Tamar Street is transferred into this reserve.

Council has identified that revenue as the funding source for the loan repayments. When taking out loans Council needs to be mindful of the impact the repayments can have on the recurrent funding available for essential services and infrastructure.

When a funding source for loan repayments is identified, it then negates any reduction in recurrent funding for essential services.

By applying the 89 Tamar Street rental income to offset certain loan repayments, as existing loan repayments decrease, it then frees up opportunities for further borrowings to be repaid from this cashflow.

The Lennox Village Vision works is the most recent example of this where \$3m in loans funded in this manner.

Council has historically funded the loan repayments for the Ballina Town Centre renewal programs from 89 Tamar Street, with the Lennox Village Vision loan now funded in the same manner.

5.4 Commercial Property Projects and Cash Reserves

- Northern Rivers Community Gallery – Funding allocated in 2024/25, from this reserve, to finance a replacement deck for the gallery building.
- Swimming Pools – Funding allocated in 2024/25, from this reserve, to finance capital works at the Alstonville (wind proofing and energy efficiency) and Ballina (energy efficiency) swimming pools.
- Wardell Village Revitalisation – Funding allocated in 2024/25, from this reserve, to part finance the “Green Space” component of the Wardell Village Revitalisation Master Plan, with those works underway.
- Alstonville Cultural Centre and Ballina SES Building – The \$5m allocated in 2025/26 and 2026/27 (total of \$10m) for the Alstonville Cultural Centre Refurbishment and the \$2m allocated in 2025/26 and 2026/27 (total of \$4m) for the new Ballina SES building, represent the contribution from the Community Infrastructure Reserve towards these projects.

The General Fund LTFP, as per the separate report in this agenda, is based on these two projects being funded as follows.

Alstonville Cultural Centre (ACC)

Item	2024/25	2025/26	2026/27
Expenditure Budget	500,000	7,060,000	8,890,000
Sourced from:			
ACC Refurbishment Reserve	300,000	500,000	0
Community Infrastructure Reserve	0	5,000,000	5,000,000
Section 7.11 Developer Contributions	200,000	1,560,000	1,000,000
Loan Funds	0	0	2,890,000
Total	500,000	7,060,000	8,890,000

The Alstonville Cultural Centre (ACC) Refurbishment Reserve is an existing internal reserve that was created through an earlier transfer from the Community Infrastructure Reserve (\$400,000) plus transfers from general revenue that relate to Council’s Facilities Management program.

The reserve had a balance of \$800,000 as at 30 June 2024.

The Section 7.11 Developer Contributions allocation relates to Council’s Open Spaces and Community Facilities Developer Contributions Plan, which includes the following project:

- Alstonville Cultural Centre Refurbishment and Expansion – Estimated Cost \$10.8m – Contribution from development – 16% – \$1,683,249

This plan is in the process of being reviewed to update the works program, to remove projects completed and to ensure the forward works plan reflects the latest project estimates.

Once the Alstonville Cultural Centre estimate is updated to \$16m, Council will be able to source 16% of that estimate, or \$2.56m from developer contributions.

This is subject to sufficient developer contributions being held by Council.

5.4 Commercial Property Projects and Cash Reserves

The collection of developer contributions can vary from year to year, based on the rate of development, with the forecast closing balance for the Open Spaces and Community Facilities Contribution Plan, for 30 June 2025 being approximately \$4.1m.

This plan is also funding major projects, such as the Ballina Pump Track and the Sharpes Beach Master Plan, and as with all Council's funding strategies, the developer contributions held will need to be closely monitored as projects progress.

The final component of the funding for the Alstonville Cultural Centre Refurbishment is loan funding of \$2.89m.

This is a balancing item, and the amount of loan funding could vary dependent on final construction costs and variances in the forecast revenues.

Ideally, if Council secured a major grant for this project, the loan would be eliminated, as any loan repayments reduce the funding Council has available for other Council services and projects. This because there is no funding source to offset those loan repayments.

The annual repayments on a loan of \$2.89m, based on a 20-year term, at 6%, equal \$252,000 per annum.

It is reasonable to loan fund major infrastructure works, as this ensures the cost of that work is spread between generations. However, it is also important to ensure that the loan debt is not excessive, as this impacts Council's ability to deliver core services.

Council's overall loan debt remains within acceptable limits, although as per the "Community infrastructure – Non-recurrent Projects" report elsewhere in this agenda, the duplication of the Fishery Creek and Canal Bridges, could significantly increase overall debt levels.

In summary, Council can proceed with the Alstonville Cultural Centre refurbishment, with tenders to be called and finalised during 2025, and works likely to take place during 2026 and 2027, with the opening planned for 2027.

Ballina SES Building

Item	2024/25	2025/26	2026/27
Expenditure Budget	180,000	2,000,000	4,000,000
Sourced from:			
Grant Funds	180,000	0	0
Community Infrastructure Reserve	0	2,000,000	2,000,000
Grant Funds	0	0	2,000,000
Total	180,000	2000,000	4,000,000

The assumption with this project is that Council will not commence the works until substantial grant funds are secured.

5.4 Commercial Property Projects and Cash Reserves

A nominal grant figure of \$2m is included in the LTFP for 2026/27 for this project, and it is hoped that a major grant will be secured, potentially in the not-too-distant future.

Council did receive a \$400,000 grant to assist with the planning process for this building, with \$180,000 allocated in 2024/25, and the balance expended in previous years.

Council continues to lobby the State and Federal Governments in respect to the importance of this project and if more than \$2m in grant funds is secured, the Community Infrastructure Reserve contribution can be reallocated to other projects.

- Community Infrastructure – To be Determined – As per the cash flows for this reserve, there are funds available in 2027/28 and 2028/29 for further community infrastructure projects.

This funding is subject to the earlier forecasts coming to fruition, both sales and expenditure, and the figures are subject to continuous review.

At this stage, the funding has not been allocated to any projects, as it is a nominal allocation that might be available.

Council could identify potential priorities, to assist with forward financial planning, or alternatively leave the funding unallocated for now.

In looking at other suitable projects, the report titled “Community Infrastructure – Non-recurrent Capital Works” located elsewhere in this agenda, identifies several priority projects that are currently not funded in Council’s LTFP.

The Community infrastructure Reserve is forecast to have a reasonable contingency balance, to help manage income and expenditure variations.

That contingency also allows Council to allocate smaller amounts of funding to projects that may require supplementary funding to ensure they can be delivered.

Examples for 2024/25 include the Northern Rivers Community Gallery deck and the energy efficiency and wind proofing works at the Alstonville and Ballina swimming pools.

Financial / Risk Considerations

Commercial property development carries a medium level of risk due to fluctuations in the property market, as well as potential for variances in construction costs.

The community infrastructure projects identified in this report also carry a reasonable level of risk in that they are not projects undertaken on a regular basis and therefore they carry a project management risk for Council and a construction risk for the builder.

5.4 Commercial Property Projects and Cash Reserves

Options

This report provides an overview of Council's commercial property development projects to highlight the funding potentially available from those projects, and how that funding is allocated in Council's draft LTFP.

The two commercial projects that do not have an identified funding strategy in this report are the WUEA – Stage 3 Residential Housing and the Lennox Head – Residential Land Development.

In respect to the WUEA – Stage 3 Residential Housing development, the report on this project to the 2 December 2024 Commercial Services Committee meeting, included four different feasibility assessments based on varying numbers of bedrooms and dwellings.

Construction costs, as per those feasibility assessments, for Stage 1 of this development, are estimated at approximately \$5.8m.

The latest resolution on this project, from the 12 December 2024 Ordinary meeting, based on a recommendation from the 2 December 2024 Commercial Services Committee meeting, is to proceed to construct nine two-bedroom townhouses, five two-bedroom townhouses and two three-bedroom townhouses for a total of 34 beds.

Once construction tenders are received, Council will have another opportunity to review the feasibility of this project.

A decision will then need to be made as to whether to proceed with accepting the construction tender, and the mixture of loan funds and cash reserves to be allocated to fund the works.

A straightforward way to look at this is as per Table 6, which provides different loan and cash contribution figures to calculate an indicative rent per week, per bedroom.

Table 6 – WUEA – Stage 3 – Residential Housing – Stage 1 (\$)

Item	Scenario 1	Scenario 2	Scenario 3
Construction Cost	5,800,000	5,800,000	5,800,000
<i>Loan Assumptions</i>			
Interest Rate	6%	6%	6%
Term	20 Years	20 Years	20 Years
Cash Equity Contribution	0	1,000,000	2,000,000
Loan Funding	5,800,000	4,800,000	3,800,000
Loan Repayments Per Annum	510,000	420,000	330,000
Number of Beds	34	34	34
Weekly Rental Per Bed	290	240	190
Add Overheads – Maintenance etc	20%	20%	20%
Weekly Rental Per Bed incl O/Heads	348	288	228

What these figures show is that for Council to fully fund the estimated loan repayments from rental income, based on a construction budget of \$5.8m, weekly average rent, per bed, of \$348, is required.

5.4 Commercial Property Projects and Cash Reserves

The \$348 includes a 20% overhead to cover costs such as maintenance and management fees.

If a \$1m cash contribution is added to the funding, as per Scenario 2 in Table 6, the average weekly rent calculation reduces to \$288. With a \$2m contribution, as per Scenario 3, the rent reduces to \$228 as per Scenario 3.

The rental figures are averages only and Council will be able to set different rents for different dwellings based on market rates, the type of dwelling and number of bedrooms and even the tenant's personal circumstances.

Options for rent can be examined further during construction of the dwellings.

This is a very simplistic analysis; however, it helps to highlight the income needed to ensure that the loan principal and interest repayments are covered by the rental income received.

This is important as otherwise the loan repayments will reduce the funding available to Council for the delivery of core services and infrastructure.

Real estate property information indicates that the current market rental rates for Alstonville and Wollongbar are around \$650 per week for a three bedroom house, \$520 for a two bedroom unit and \$620 for a three bedroom unit.

Based on these figures Scenario 3, with Council making a cash contribution of \$2m, from the Property Development, seems the more realistic funding mix.

The current forecasts for the Property Development Reserve show a closing balance more than \$2m each year, which means that this level of funds is available to provide a cash contribution into this project.

Confirmation of that contribution will be subject to further analysis when the construction tenders are reported to Council.

In respect to the Lennox Head – Residential Land development project, which is adjacent to The Rise development behind the EPIQ Estate, Council has secured a State Government grant to undertake a medium density housing feasibility assessment for the site.

That contract has recently been awarded to Newton Denny Chapelle (NDC), with the contract requiring an analysis of site layout options, dwelling design options, planning pathways and a presentation to the elected Council.

This project will need to be funded by loans, with some of the lots eventually sold to recover the planning and construction costs.

Further analysis of this project will occur as the NDC consultancy progresses.

In conclusion, the recommendation that follows is to adopt the forecast cash flows outlined in this report, in the LTFP, for public exhibition, noting that the Alstonville Cultural Centre and the Ballina SES building are the two major community infrastructure projects funded from the commercial property development revenues.

5.4 Commercial Property Projects and Cash Reserves

As also mentioned, if grant funds are secured for either of these two projects, that will then free up funds for other projects.

Point 3 of the recommendation seeks approval to extend the current loan debt on the Boeing Avenue and Airport Boulevard projects, as it may be necessary to carry the existing loans over into 2025/26, if sufficient sales are not generated to pay the outstanding debt in full by 30 June 2025.

The original short-term loans were due for repayment by 30 June 2025, and as per Table 1 of this report, it may be necessary to wait for sufficient sales revenue to be generated, in 2025/26, to allow the existing loans to be paid out.

RECOMMENDATIONS

1. That Council notes the contents of this report on the Commercial Property Development Projects and Cash Reserves.
2. That Council adopts the financial information, as outlined in Tables 1,2,3, 4 and 5 of this report, for inclusion in Council's Long Term Financial Plan.
3. That Council authorises the General Manager to extend or renew, part, or all the outstanding loan principal owing on the Airport Boulevard and Southern Cross Industrial Land – Boeing Avenue projects, for up to one year, to allow sufficient land sales revenue to be generated to allow the loan debt to be repaid in full.

Attachment(s)

1. Russellton Industrial Estate - Plan of Proposed Subdivision
2. Wollongbar Residential Subdivision - Plan of Proposed Subdivision
3. Property Development Reserve - Long Term Financial Plan
4. Community Infrastructure Reserve - Long Term Financial Plan

5.5 Community Infrastructure - Recurrent Capital Works

Section	Financial Services
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Objective	To confirm the preferred works program for the recurrent revenue funded community infrastructure projects for inclusion in the draft 2025/26 to 2028/29 Delivery Program and 2025/26 Operational Plan.
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Background

The capital expenditure in Council's ten-year, long term financial plan (LTFP), can be classified into two groups being recurrent and non-recurrent funded projects.

Recurrent refers to items in the LTFP where an allocation of general revenue funding is provided, every year, to assist Council deliver core community infrastructure.

Non-recurrent refers to items in the LTFP, where capital expenditure funding is not required every year, however there are times when major injections of funding are needed (e.g., swimming pool redevelopments, major community facility refurbishments, town centre renewals etc.).

This report deals with the recurrent funded items within the General Fund.

The recurrent funding allocated in the draft General Fund LTFP, for 2025/26 onwards, is as follows, with the level of funding consistent from year to year, subject to indexation:

1. Open Spaces – \$880,000 pa
2. Sports Fields – \$230,000 pa
3. Public Amenities – \$160,000 pa
4. Community Buildings – \$560,000 pa plus approximately \$275,000 for Depot and Administration Centre improvements
5. Stormwater / Drainage – \$910,000 pa
6. Street Lighting and Car Parks – \$150,000 pa
7. Footpaths / Shared Paths – \$560,000 pa
8. Roads – Recurrent revenue funding of approximately \$7m including recurrent grants, with this amount subject to change, dependent on other income sources such as loans, grants, and Section 7.11 contributions for road works

For each of these items a four year works plan is included in the draft 2025/26 to 2028/29 Delivery Program and Operational Plan to outline the works planned for the term of the document.

The four-year programs are based on assessments of asset conditions and the priorities focus on the areas of highest need (i.e. assets in poorer condition or due for renewal to avoid failure).

Council can rearrange the works to reflect higher community priorities, and this report provides one opportunity to review the four-year program.

Key Issues

- Level of recurrent funding
- Technical priorities and asset management
- Community priorities

Discussion

From a financial perspective it is paramount that a council minimises its operating expenses, whilst maximising revenues, to ensure the highest level of funding is available for capital expenditure, especially asset renewal.

Without adequate asset renewal and maintenance funding, infrastructure deteriorates, resulting in reduced service levels, increased maintenance costs, increased risk due to asset failures and lower levels of community satisfaction.

It is also important that a council focuses, as the first priority for capital expenditure, on asset renewal, rather than expanding the asset base, as councils need to have adequate funds to maintain existing assets, before building new facilities.

One of the major financial issues facing Council, is the on-going maintenance and renewal of new infrastructure delivered during the last ten years, through Council projects, substantial grant programs, and assets transferred from new subdivisions.

In respect to the recurrent funding allocated in the draft 2025/26 to 2028/29 Delivery Program, the proposed works for the next four years are as follows.

Open Spaces - Manager – Cheyne Willebrands

The Open Spaces Program includes sports fields, open spaces (playgrounds) and public amenities, with the sports fields four-year program as follows.

<i>Item</i>	<i>2025/26</i>	<i>2026/27</i>	<i>2027/28</i>	<i>2028/29</i>
Sports Fields	1,420,000	227,000	234,000	242,000
Kingsford Smith, Ballina – Pump Track (1)	1,200,000			
Saunders Oval – Cricket Pitch	30,000			
Fencing (Various)	40,000			
Top Dressing (Various)	85,000			
Detailed Design – Kingsford Smith / Saunders	65,000			
Kingsford Smith, Ballina – Upgrades		227,000		
Gap Road, Alstonville - Improvements			234,000	
Geoff Watt Over, Alstonville – Improvements				242,000

(1) The Kingsford Smith Pump Track is funded in part by a State Government grant, with \$569,000 included in 2024/25 for the commencement of the project. Council has accepted a tender with works commenced.

The annual depreciation expense for sport fields is around \$880,000, with the recurrent budget set at \$230,000, representing a significant annual shortfall.

Grants assist with asset renewal; however, Council needs to increase the recurrent renewal budget to get closer to the depreciation expense.

5.5 Community Infrastructure - Recurrent Capital Works

For open spaces, Council has an adopted Playground Upgrade and Management Plan that guides this program of works, with that plan available at the following link. [Playground Upgrade and Management Plan 2022](#)

<i>Item</i>	<i>2025/26</i>	<i>2026/27</i>	<i>2027/28</i>	<i>2028/29</i>
Open Spaces	2,534,0000	1,258,000	941,000	883,000
Crown Reserve Improvements	54,000	56,000	58,000	60,000
Sharpes Beach Master Plan (1)	1,100,000			
Alstonville Creek Restoration (2)	516,000	430,000	86,000	
Lennox Head Basketball Court (3)	116,000			
Park Shelters and PUMP Actions	65,000	48,000		
Water Fountain Priorities	40,000			
Safety Fencing	60,000			
Lilli Pilli Park, Lennox Head	156,000			
Missingham Park, Ballina			797,000	823,000
Ross Park	60,000			
Fitness Equipment	58,000			
Elizabeth Anne Brown Park, Alstonville	300,000			
Westland Park, Ballina	165,000			
Faulks Reserve, Ballina		270,000		
Lions Park Lennox Head		100,000		
Ferngrove Park, Ballina		120,000		

(1) Sharpes Beach Master Plan – This project also has \$247,000 allocated in 2024/25 with the project funded by a State Government grant of \$1,050,000, and the balance from Section 7.11 contributions.

(2) Alstonville Creek Restoration – Fully funded by a State Government grant.

(3) Lennox Head Basketball Court – Fully funded by a State Government grant.

From an asset management perspective, the annual depreciation expense for open spaces, which includes playground equipment and related infrastructure, is approximately \$1.35m. With recurrent funding of approximately \$880,000 the funding is well below the preferred level to match depreciation.

Facilities Management - Manager – Craig Brown

<i>Item</i>	<i>2025/26</i>	<i>2026/27</i>	<i>2027/28</i>	<i>2028/29</i>
Public Amenities	160,000	160,000	160,000	160,000
Compton Drive, Ballina (incl. Changing Places)	160,000			
Lumley Park, Alstonville		160,000		
Bicentennial Park, Ballina			160,000	
Faulks Reserve, Ballina				160,000

The annual depreciation expense for public amenities is \$60,000 and with \$160,000 allocated, Council is more than matching the depreciation expense.

Council resolved at the 27 February 2025 Ordinary meeting to confirm a preferred location for another changing places facility. The preferred location is the Compton Drive Public Toilet due to its proximity to accessible car parking, and to accessible waterways including Shaws Bay and the new Lighthouse Beach Disability Access. Staff are confident the allocated budget can deliver an upgraded toilet incorporating a changing places facility.

5.5 Community Infrastructure - Recurrent Capital Works

<i>Item</i>	<i>2025/26</i>	<i>2026/27</i>	<i>2027/28</i>	<i>2028/29</i>
Community Facilities and Halls	556,000	574,000	593,000	612,000
Alstonville Pre-School – Paint			23,000	
Alstonville Pre-School – Interallotment Drainage				80,000
Ballina CWA Hall – Roof	50,000			
Ballina Surf Club – General Upgrades		180,000		
Ballina Surf Club – Internal Paint				50,000
BISC – Refurbishments		100,000		
BISC – Security Fencing				50,000
Community Gallery – Internal Paint				40,000
Crawford House – Roof, Paint and Refurbishments		100,000		
Kentwell Centre – Security Cameras	45,000			
Kentwell Centre – Refurbishments	25,000	80,000		
Kentwell Centre – Boundary Fence / Gates				30,000
Kentwell Centre – Air Conditioning				212,000
Lennox Head CC – Ceiling Meeting Rooms			50,000	
Lennox Head CC – Operable Wall				50,000
Lennox Head CC – Children’s Play Area – Softfall				50,000
Library / Richmond / VIC – Internal Paint	26,000			
Library / Richmond / VIC – Roof	220,000			
Library / Richmond / VIC – Eave Redesign	120,000			
Library / Richmond VIC – Solar		34,000		
Marine Rescue Tower – Roof Hatch		20,000		
Marine Rescue Tower – Window Repairs	70,000		150,000	
Naval Museum – Pain and Refurbishments		61,000		
Pimlico Hall – External Paint			20,000	
River Street Pre-School – Paint			50,000	50,000
Wardell Hall – Pain			100,000	
Wollongbar Hall – Paint and Refurbishments			150,000	
Wollongbar Pre-School – Paint			50,000	

Other Works

Alstonville Cultural Centre – Redevelopment 7,060,000 8,890,000

The Alstonville Cultural Centre is funded through a combination of grants, Section 7.11 contributions, reserves and loans. Refer to the Community Infrastructure – Non-recurrent Capital Works report elsewhere in this agenda for further information on that project.

Administration Centre and Depot	1,072,000	709,000	732,000	756,000
Depot – Fuel System	885,000			
Depot – Compound - Store and Small Plant	187,000			
Depot – Engineering Works – Shed		597,000		
Depot – Pavements		114,000	232,000	356,000
Depot – Existing Amenities			500,000	
Depot – Security and Fencing				400,000

The Depot – Fuel System budget includes funds carried forward from 2024/25.

The annual depreciation expense for the various categories of community buildings (i.e. Cultural Centres, Administration Centre, Visitor Centre, Indoor Sports Centre, Public Halls, Depot etc.) is approximately \$2.5m (\$1.2m Administration Centre and Depot, \$1.3m for Community Facilities etc.), and with only \$1.3m in recurrent funding there is a significant funding shortfall.

Regular dividends from Council’s Commercial Property Reserves have helped supplement these types of projects, however this is another area where the recurrent funding needs to be increased substantially over time.

5.5 Community Infrastructure - Recurrent Capital Works

Stormwater – Manager – Paul Crozier

<i>Item</i>	<i>2025/26</i>	<i>2026/27</i>	<i>2027/28</i>	<i>2028/29</i>
Stormwater	912,000	935,000	965,000	996,000
Urban Lanes	75,000	75,000	75,000	75,000
Asset Data Collection	25,000	25,000	25,000	25,000
Tide Gates to Urban Streets	185,000	55,000	55,000	55,000
Lems Lane, Lennox Head	77,000			
Greenfield and Tallow Wood, Lennox Head	190,000			
Rutherford Street, Lennox Head (1)	50,000			
Daintree Drive, Lennox Head	25,000			
Grant Street, Ballina	185,000		153,000	
Martin Street, Ballina			150,000	
Oakland Avenue		255,000		
Norton Street		105,000	165,000	
Daydream Avenue		150,000		
Wardell		270,000		
Prospect Street, Ballina			50,000	
Ballina Lanes			140,000	270,000
Lennox Head Lanes			152,000	255,000
Relining Package				316,000
Kerr Street (Tamar to Richmond Streets) (2)	100,000			

(1) Rutherford Street – Allowance for feasibility on the provision of a pumping system. This system could potentially cost up to \$3.5m

(2) The Kerr Street works are funded by a transfer from Council's Ballina Bypass Reserve.

The annual depreciation expense for stormwater is \$1.85m which means there is a shortfall of approximately \$0.6m in recurrent funding.

Ancillary Transport – Manager – Paul Crozier

<i>Item</i>	<i>2025/26</i>	<i>2026/27</i>	<i>2027/28</i>	<i>2028/29</i>
Street Lighting	57,000	59,000	61,000	63,000
Ramses Street, Wollongbar	10,000			
North Creek Road, Ballina	37,000			
Amber Drive, Lennox Head (part)	10,000	26,000		
Cherry Street, Ballina		18,000		
Perry Street, Alstonville		5,000		
Burnet Street and Day Lane, Ballina		10,000		
Piper Drive, Ballina			15,000	
De-Havilland Crescent, Ballina			30,000	
Sheather Street, Ballina			8,000	
Simmons Street, Ballina			8,000	
College Avenue, Skennars Head				8,000
Bayview Drive underpass, East Ballina				4,000
Burnet Street, Ballina				8,000
Moon Street, Ballina				4,000
North Creek Road, Lennox Head				30,000
Lismore Road, Alstonville				9,000

This program is based on adding street lighting where there are known gaps in the urban areas based on community feedback.

5.5 Community Infrastructure - Recurrent Capital Works

<i>Item</i>	<i>2025/26</i>	<i>2026/27</i>	<i>2027/28</i>	<i>2028/29</i>
Car Park Improvements	104,000	107,000	110,000	114,000
The Coast Road - Pat Morton - Line Marking	3,000			
Flat Rock Road - Line Marking	2,000			
King Street near Club Lennox - Line Marking	4,000			
Alstonville Preschool - Lighting	12,000			
Wollongbar Preschool - Lighting	7,000			
Marine Rescue Tower - Lighting	7,000			
Ballina Skate Park - Lighting	20,000			
Lake Ainsworth - Ross St - Lighting	24,000			
Shelly Beach Rd (sth of SLSC) - Lighting	25,000			
Shelly Beach Rd (nth of SLSC) - Lighting		27,000		
Pop Denison Park - Lighting		27,000		
Pacific Parade at Ross St - Lighting		25,000		
Rutherford Street - Line Marking		3,000		
Alston Avenue (Pool) - Line Marking		4,000		
Alstonville Cultural Centre - Line Marking		2,000		
Pop Denison Park - Line Marking		5,000		
Beach Road (Suvla Street) Car Park - Line Marking		3,000		
Shelly Beach Rd (Suvla Street) - Line Marking		3,000		
Shelly Beach Rd Car Park - Line Marking		3,000		
The Coast Road (Bayview Drive) - Lighting		5,000		
Wardell Sports Ground - Lighting			26,000	
Quays Reserve - Lighting			25,000	
Emigrant Creek Boat Ramp - Lighting			15,000	
Ferngrove Estate - Lighting			22,000	
Faulks Reserve - Lighting			22,000	
Ross Street at Pacific Terrace - Line Marking				5,000
Megan Crescent - Line Marking				5,000
Mackney Lane at LCC - Line Marking				5,000
Faulks Reserve - Line Marking				5,000
Quays Reserve - Line Marking				5,000
Eyles Drive at Antrim Street - Line Marking				5,000
Wardell Boat Ramp - Lighting				10,000
Megan Crescent - Lighting				10,000
Tamar Street (10 Moon Street) - Lighting				64,000

This is a relatively new recurrent program, with the works mainly focusing on lighting and line marking for the four-year period.

The depreciation expense for ancillary transport is \$280,000, which includes car parks and boat ramps. This means the \$100,000 recurrent budget will need to be increased further to match the depreciation expense.

<i>Item</i>	<i>2025/26</i>	<i>2026/27</i>	<i>2027/28</i>	<i>2028/29</i>
Footpaths and Shared Paths	560,000	578,000	597,000	616,000
Westland Drive, Ballina	95,000			
Horizon Drive, Ballina	50,000			
Mellis Circuit, Alstonville	160,000			
Moon Street, Ballina	15,000			
Shelly Beach Road, Ballina	5,000			
Castle Drive, Lennox Head	20,000			
Bonview Street, Ballina	125,000			
Tanamera Drive, Alstonville		290,000		
Main Street, Alstonville (Bike Plan)	90,000	0		
Eyes Drive, Ballina		5,000		
Deegan Drive and Parklands Drive, Alstonville		90,000		
Northumberland Drive, Ballina		193,000	45,000	
South Street, Alstonville (Bike Plan)			105,000	
Canal Road, Ballina			160,000	
Teven Road, Alstonville			135,000	
Whipps Ave, Alstonville			117,000	
Jarrett Street, Ballina			15,000	
Coral Street, Alstonville			20,000	

5.5 Community Infrastructure - Recurrent Capital Works

<i>Item</i>	<i>2025/26</i>	<i>2026/27</i>	<i>2027/28</i>	<i>2028/29</i>
<i>Footpaths and Shared Paths (continued)</i>				
Brunswick Street, Ballina				50,000
Henderson Lane/Meadows Drive, Lennox Head				205,000
Lindsay Crescent and Pine Street, Wardell				230,000
Greenfield Road, Lennox Head				20,000
Queens Park Court, Wollongbar				111,000

The priorities for the balance of the works program are sourced from asset condition reports, along with works identified in Council's adopted Bike Plan and Pedestrian Access and Mobility Plan (PAMP).

The Bike Plan and PAMP are available on Council's website as per the following links:

PAMP:

[Pedestrian Access and Mobility Plan | Ballina Shire Council \(nsw.gov.au\)](https://www.ballina.nsw.gov.au/pedestrian-access-and-mobility-plan)

Bike Plan:

[Bike Plan | Ballina Shire Council \(nsw.gov.au\)](https://www.ballina.nsw.gov.au/bike-plan)

The annual depreciation expense for footpaths and shared paths is \$780,000 and Council is close to funding this expense.

However, components of the recurrent funding are often allocated to new paths, especially shared paths as per the Bike Plan, which means that renewals based on the annual depreciation expense is underfunded.

Concerns have also been expressed from Council's Engineering Works Section that there is an urgent need to undertake renewal works on several existing footpaths and shared paths.

The recommendation from that Section is that Council should defer the entire works program for one year to allow these renewal works to be completed.

There are also risks in not undertaking essential renewal works from a risk perspective.

Based on this feedback, the recommendation to this report is to defer the program to allow the renewal works to be completed.

If Council is concerned about deferring the entire program, specific projects could be retained in 2025/26, with the balance allocated to renewal works. Council may also wish to receive a further report to justify the reasoning for reallocating the funding for 2025/26 to renewal works,

If the entire 2025/26 footpath / shared path program is deferred for one year, it is important to note that Council has recently secured grant funding of \$3.5m from Transport for NSW, to complete the segment of shared path north from Byron Street, Lennox Head to Cooper Close

The funding is for the alignment along Byron Street and Byron Bay Road with the works to be completed by May 2026. This will absorb a significant amount of staff resources during 2025/26, and this project does demonstrate Council's continued commitment to expanding the entire footpath / shared path network.

5.5 Community Infrastructure - Recurrent Capital Works

Roads and Bridges – Manager - Paul Crozier

<i>Item</i>	<i>2025/26</i>	<i>2026/27</i>	<i>2027/28</i>	<i>2028/29</i>
Roads and Bridges Funding:				
Council Revenue	6,930,000	7,162,000	7,395,000	7,642,000
Federal Govt - Roads to Recovery Grant	1,505,000	1,551,000	1,598,000	1,646,000
State Govt - Safer Roads Grant	562,000	0	0	0
State / Federal - Northern Rivers Recovery	30,090,000	4,760,000	0	150,000
State / Federal – Ross Lane Betterment	3,600,000	0	0	0
State / Federal – Essential Public Assets	14,590,000	185,000	0	0
Developer Contributions	16,310,000	6,200,000	450,000	263,000
Loan Funds	0	5,000,000	0	0
Internal Reserves	670,000	1,820,000	330,000	330,000
Total	74,257,000	26,678,000	9,773,000	10,031,000

The roads program can be grouped into the following categories.

<i>Reseals and Patching</i>	<i>2025/26</i>	<i>2026/27</i>	<i>2027/28</i>	<i>2028/29</i>
Urban Roads - Bitumen Reseals	568,000	588,000	609,000	630,000
Urban Roads - Heavy Patching	689,000	713,000	738,000	764,000
Rural Roads - Bitumen Reseals	556,000	575,000	595,000	616,000
Rural Roads - Heavy Patching	430,000	445,000	461,000	477,000
Sub Total – Reseals and Heavy Patching	2,243,000	2,321,000	2,403,000	2,487,000

<i>Bypass Reserves</i>	<i>2025/26</i>	<i>2026/27</i>	<i>2027/28</i>	<i>2028/29</i>
Bypass Funds - Alstonville	100,000	100,000	50,000	50,000
Bypass Funds - Ballina	180,000	180,000	180,000	180,000
Bypass Funds - Tintenbar to Ewingsdale	100,000	100,000	100,000	100,000
Sub Total – Bypass Reserves	380,000	380,000	330,000	330,000

<i>Reconstruction</i>	<i>2025/26</i>	<i>2026/27</i>	<i>2027/28</i>	<i>2028/29</i>
Urban Roads				
Winton Lane Seg 20	290,000			
Temple Street Segs 10 and 20	678,000			
Preliminary Designs (2026-27 Program)	150,000			
Mary Street Seg10	215,000			
Kalinga Street Seg 30	776,000			
Moon Street Seg 20	650,000			
Valley Drive Seg 30	170,000			
Skennars Head Road Seg 80	477,000			
Skennars Head Road Seg 70		272,000		
Cawarra Street Seg 20		220,000		
Owen Street Segs 20-100		270,000		
Cherry Street Seg 180		300,000		
Cherry Street Seg 30		615,000		
North Creek Road Seg 80		236,000	736,000	
South Street Seg 30		236,000		
Barlow's Road Seg 20		320,000		
Main Street Seg 5		267,000		
Grant Street Seg 40			290,000	
Bagot Street Seg 30			264,000	
Byron Street Segs 40 -50			340,000	
Latta Avenue Seg 10			163,000	
Temple Street Seg 30			505,000	159,000
Treelands Crescent Seg 10			361,000	361,000
Wejuba Place Seg 10				230,000
Hamilton Street Seg 10				300,000
Cedar Street Seg 10				430,000
Tweed Street Seg 30				390,000
Valley Drive Seg 20				575,000
Camburt Street Seg 10				283,000
Stewart Street				256,000
North Creek Road Segs 190-200, Lennox Head				318,000

5.5 Community Infrastructure - Recurrent Capital Works

Reconstruction (continued)	2025/26	2026/27	2027/28	2028/29
Rural Roads				
The Coast Road Seg 200	362,000			
Bagotville Road Seg 30	402,000			
Dalwood Road Seg 80	432,000			
Kirklands Road Seg 20	725,000			
Teven Road Segs 50 -52-54	286,000			
Riverbank Road Seg 50	300,000			
Marom Creek Road Seg 60	227,000			
Fernleigh Road part Seg 90		606,000		
Houghlahans Road Seg 140		402,000		463,000
Fernleigh Road Seg 50		630,000		
The Coast Road Seg 203		320,000		300,000
Houghlahans Creek Road part Seg 150			307,000	
Hermans Lane Seg 10			698,000	240,000
Fernleigh Road Seg 80			560,000	
Pearces Creek Road Seg 50			312,000	
Marom Creek Road Seg 120			139,000	
Marom Creek Road Seg 130			90,000	
Pimlico Road Seg 120			575,000	
Pimlico Road Seg 100				538,000
Pearces Creek Hall Road Seg 10				263,000
Sneaths Road Seg 90				280,000
Uralba Road Segs 10-20				160,000
Dust Seal Program				
Cooks Lane	88,000			
Bartletts Lane	154,000			
Buckombil Mountain Road		95,000		
Old Bagotville Road			144,000	146,000
Bridges	100,000	103,000	106,000	109,000
Ballina Beautification				
River Street / Martin Street Roundabout		1,500,000		
River to Cherry / Moon / Grant Streets – Kerb and Pavers			1,000,000	1,000,000
Sub Total - Reconstruction	6,482,000	6,392,000	6,590,000	6,801,000
Grants, Reserves, Loans and Section 7.11	2025/26	2026/27	2027/28	2028/29
Betterment – Ross Lane	3,600,000			
<i>Essential Public Asset Repair (EPAR)</i>				
EPAR - Landslip Teven Road	7,200,000			
EPAR - Landslip Hinterland Way	246,000			
EPAR - Landslip Uralba Cutting Road	1,754,000			
EPAR - Landslip Forest Road, Uralba	145,000			
EPAR - Landslip The Coast Road	2,423,000			
EPAR - Sneaths Road	787,000			
EPAR - Tamarind Drive	1,598,000			
EPAR - Bagot Street	287,000			
EPAR - North Creek Road	120,000			
EPAR - Owen Street, Ballina		185,000		
EPAR - Tamar Street, Ballina	30,000			
<i>Sub Total</i>	<i>14,590,000</i>	<i>185,000</i>	<i>0</i>	<i>0</i>
Northern Rivers Recovery – Evac Routes	2,165,000	6,200,000		
Safer Roads – Rifle Range Road	562,000			
Section 7.11 Related Works				
Hutley Drive – Middle Section	350,000	100,000	50,000	
River St - Fishery Creek Bridge Dup	18,750,000	5,350,000		
Tamarind Drive – North Creek Road Dup	8,680,000	5,000,000		
Tamarind Drive – Canal Bridge Dup	13,855,000	350,000		
Tam Dve / Nth Ck Rd / Sthn Cross Dup	2,200,000			
North Creek Road and Bridge	200,000	200,000	200,000	213,000
Heavy Patching Reseals	200,000	200,000	200,000	200,000
Sub Total – Grants, Reserves etc	65,152,000	17,585,000	450,000	413,000
Total Roads and Bridges	74,257,000	26,678,000	9,773,000	10,031,000

5.5 Community Infrastructure - Recurrent Capital Works

In reviewing this works program, Council general revenue and the Federal Government Roads to Recovery Grant, largely fund the urban and rural roads and bridges reconstruction program, reseals and heavy patching.

In respect to other elements of the road and bridges program, the bypass reserve works are funded from internal reserves, which were created from funds transferred to Council, by Transport for NSW, for the estimated maintenance cost for the first ten years of the bypassed highways, with those road assets transferred to Council.

Based on current expenditure forecasts, the estimated cash balances for these internal reserves, as at 30 June 2034, which is the current 10-year life of the LTFP, are Alstonville (\$535,000) Ballina (\$1,109,000) and Tintenbar to Ewingsdale (\$703,000).

Once the reserves are exhausted, the annual maintenance for these road assets will be funded by Council. This will leave a \$380,000 shortfall in Council's budget based on current annual expenditure levels.

The grant, reserve and loan funded projects are a mixture of projects based on known existing grant programs.

In respect to the Section 7.11 Program, Council has a Road Contributions Plan, with works totaling close to \$160m, funded in part from developer contributions paid to Council.

The \$160m is based on the estimates for the projects when the original plan was adopted, in 2011.

The updated estimates now more than double the original figures and this is one of the major issues facing Council, as the Section 7.11 contributions collected are capped at \$20,000 per residential lot, when the actual cost is well in excess of that figure.

Council has been very fortunate to have secured a \$40m grant from the State and Federal Governments through the Northern Rivers Recovery and Resilience Program, because of the 2022 floods, with that funding able to assist with the duplication of the Fishery Creek and Canal Bridges, and the four laning of Tamarind Drive, which are also Section 7.11. Plan projects.

Unfortunately, the cost of these projects has increased significantly, and extra grant funding or loan funding is needed to ensure the projects can be delivered.

More detailed information on the Bridge Duplication Projects is included in the Community Infrastructure – Non-recurrent Capital Works report elsewhere in this agenda.

There is also a Heavy Haulage Section 7.11 Contributions Plan, where operators of quarries in the shire, pay a contribution rate to Council, for material removed from the quarry and transported along Council roads. The funds received by Council are then used to maintain and repair those roads.

Council typically sources around \$200,000 per annum from that plan for road repair works.

5.5 Community Infrastructure - Recurrent Capital Works

Community Engagement Strategy

The priorities endorsed by Council will be included in the draft 2025/26 to 2028/29 Delivery Program and Operational Plan for public comment.

Financial / Risk Considerations

The purpose of this report has been to highlight the funding available for recurrent community infrastructure projects and to outline the preferred priority.

The major financial risk is that Council does not allocate sufficient recurrent funding for the maintenance and renewal of existing infrastructure, which results in significant asset deterioration and possible failure over a lengthy period.

The following table matches the estimated depreciation expense with the recurrent capital funding for each of the asset classes identified in Council's LTFP.

Annual Estimated Depreciation and Estimated Funding Summary (\$'000)

Description / Asset Class	Depreciation Estimate	Recurrent Funding
Cemeteries (1)	25	N/A
Open Spaces – Playgrounds, fencing, signage	1,350	880
Sports Fields – Buildings and other infrastructure	880	230
Public Amenities	62	160
Stormwater	1,850	910
Roads	9,500	8,400
Ancillary Transport	280	160
Footpaths and Shared Paths	780	560
Ferry	28	0
Emergency Services	155	0
Landfill and Res Mgmt – Plant and Remediation (1)	1,235	N/A
Commercial Property (1)	78	N/A
Flat Rock (1)	25	N/A
Ballina – Byron Gateway Airport (BBGA) (1)	1,340	N/A
Quarries – Depreciation and Remediation	208	N/A
Community Buildings (Halls, Child Care Centres, Cultural Centres, Surf Clubs etc)	1,300	1,300
Libraries	250	
Swimming Pools	450	
Tourism	20	
Administration Centre and Depots	1,200	
Animal Pound	7	
Gallery	47	
<i>Sub Total Community Buildings</i>	<i>3,274</i>	<i>1,300</i>
Plant Operations (1)	1,300	N/A
Sub Total – General Fund	22,370	12,600
Water (1)	1,920	N/A
Wastewater (1)	4,700	N/A
Total – Consolidated Operations	28,990	
Total – Excluding Business Operations	18,392	12,600

No recurrent funding from General Revenue is needed for Cemeteries, Landfill and Resource Management (LRM), Commercial Property, Flat Rock, BBGA, Plant Operations, Water and Wastewater (all marked with a (1)).

5.5 Community Infrastructure - Recurrent Capital Works

These are distinct business activities that can rely on their own operating surplus, excluding depreciation, to reinvest funds back into asset renewal. Council is also able to determine our own pricing for these businesses.

Items such as the Cemeteries, Commercial Property and Flat Rock provide a dividend to the General Fund, as the operating surplus is sufficient to fund the business's own asset renewals and pay a dividend.

The BBGA has a significant cash surplus however that surplus is funding a large loan debt and new infrastructure.

The \$8.4m estimate for roads recurrent funding is based on Council recurrent revenue plus recurrent grants such as the Roads to Recovery Program.

The highlighted bottom line is the depreciation expense, excluding business activities, matched with the total recurrent revenue.

As per these figures, the difference in recurrent funding and the depreciation expense is approximately \$5.7m per annum.

Often Council will secure grant funds to assist with the renewal of assets, however it is this major gap in asset renewal funding, which remains the biggest financial risk to Council, as it can result in asset deterioration in the long term.

The major funding gaps highlighted in this summary are open spaces and sports fields, stormwater, roads and community buildings / facilities, which includes the animal pound, community gallery, libraries, swimming pools, emergency services (SES and Marine Rescue), cultural centres (Lennox Head and Alstonville), Ballina Indoor Sports Centre, Surf Clubs etc.

Other Matters - Presentation of the Urban Road Environment

A review of Council's operations has been ongoing in respect to improving the presentation of our urban road corridors, stormwater detention basins and other stormwater management areas, and our car parks.

The reference to urban road corridors includes the presentation of controls such as roundabouts, medians and guardrail.

Traditionally we have attended to maintenance of the vegetation by weed spraying, edge trimming as well as some pressure cleaning.

While most of our roundabouts receive regular programmed maintenance, it is agreed there is a need to improve the presentation of our urban road corridors.

Staff from the Open Spaces and Engineering Works teams have reviewed our plant and labour resources and how these are utilised.

The outcome of this work has been to improve how these teams attend sites and share the work requirements.

Staff have also documented several sites that need to be managed differently to the previous arrangements. Some locations are expensive and difficult to maintain. For example, in highly trafficked areas, access to the vegetation under the guardrail can be problematic.

5.5 Community Infrastructure - Recurrent Capital Works

For low profile sites, it is preferred to remove the vegetation and replace with concrete, with practical. By avoiding future maintenance costs, there is a return on investment from implementing the initial treatment and the concrete will result in a better level of presentation.

For high profile sites, a concrete solution is not preferred. For these sites, the recommended approach is to remove the weeds and replace with low maintenance planting and attend to these as we do for roundabouts.

For example, at the Angels Beach Overpass there is a section of guardrail on the steep embankment adjacent to traffic. The vegetation under the guardrail does not offer any aesthetic qualities.

This means the maintenance of this vegetation consumes resources from other activities, introduces WHS risks that are best managed by elimination and there are public liability risks from stones flicking out on to cars. The cost to attend to this maintenance each year is estimated to be \$1,300. The cost to install asphalt under the guardrail is estimated to be \$16,000.

While this example has a longer payback period, ultimately it is the preferred solution. Accordingly, we are attempting to deliver as many of these improvements as possible under the existing maintenance funding, however as there is a need to continue maintenance progress will take time.

Over the next few months, we will be trialling mobile traffic control to remove dead weeds from our spraying of medians and, where we can, apply crack sealing solutions in the asphalt and concrete to eventually reduce the amount of weed regrowth.

Target roads include the main roads such as River Street, Kerr Street, Tamarind Drive, Ballina Heights Drive, The Coast Road and Angels Beach Drive.

TfNSW painting resources are also being sought to clean the concrete and respray the white paint areas.

In addition to the above general maintenance and presentation improvements, there are several locations in the Shire where the community has requested improvements to the presentation of the street scape. Examples of these sites include:

- Dalmacia Drive, Wollongbar - \$100,000
- Ballina Heights Rock Wall – \$70,000
- North Lakes Embankment Erosion - \$25,000
- Survey Street, Lennox Head - \$130,000
- River Street, Tree Blisters - \$10,000

Dalmacia Drive and Survey Street are split level roads where tree removal and replacement are required. The River Street Tree Blisters are not able to tolerate high tide water intrusion and need to be replanted. The Aureus stormwater devices are problematic to maintain and need to be replaced.

For these sites, the preferred approach is to remove the existing vegetation and/or infrastructure and replace with more suitable species and design.

5.5 Community Infrastructure - Recurrent Capital Works

Funding is currently not available for these projects; however, it is important to acknowledge that the levels of service for these locations ideally should be improved and considered for funding in the future.

Other Matters – Resolutions

Disabled Parking Shelter – Lighthouse Beach Car Park

At the 28 November 2024 Ordinary meeting, Council resolved as follows.

That Council receive, as part of the preparation of the 2025/26 Delivery Program and Operational Plan, information on the cost to provide a shelter to protect the two additional disabled car parks located within the car park at the Ballina Lighthouse Beach / Surf Club car park, along with options to fund the shelter.

The preferred design for these types of shelters is a cantilever.

The reason for this is a design with four posts is likely to involve impacts from vehicles over time.

To comply with structural engineering requirements, the most cost-effective way to procure shelters of this type is to purchase material in a kit with installation undertaken by Council staff.

Inquiries to suppliers indicate a cost for the kit materials is \$69,000. Additional costs are \$10,000 in labour and \$15,000 for concrete. This means a budget of approximately \$90,000 is required.

This car park has two existing covered disabled car parks.

The proposed shelters would improve the amenity and usability of the car parks.

However, with two parks already covered and considering the amount of money involved, Council needs to be satisfied this location is the highest priority for this type of upgrade as many of our disabled car parks are not covered.

If the Council's direction is to proceed with this project, the most appropriate funding source is the Car Park Improvements budget, with \$104,000 available for 2025/26.

Therefore, the other works could be deferred for one year, with Council adopting a similar approach when the Patches Beach Car Park was sealed in 2023/24.

Alstonville Pool Car Park

At the 27 February 2025 Ordinary meeting, Council resolved as follows:

That Council receive a report providing a cost estimate to construct a sealed car park to service the Alstonville Swimming Pool on the land adjacent to the Pool, Crawford Oval and the Alstonville Community Preschool.

A design for a car park at this location was prepared as part of the development assessment process for the Alstonville Preschool project.

A copy of this design is Attachment 1 to this report.

As per this design, there are three possible stages to this work.

- Car Park 1 – with 10 spaces is estimated to cost \$45,000
- Car Park 1 – with 18 spaces is estimated to cost \$70,000
- Car Park 3 – with 12 spaces is estimated to cost \$81,000.

These are high level estimates only.

Geoff Watt Oval Car Park

At the 28 November 2024 Ordinary meeting, Council resolved as follows:

That Council, as part of the preparation of the 2025/26 Delivery Program and Operational Plan, receive a report on the scope of works, estimated cost and funding options to formalise the current informal / default parking areas at Geoff Watt Oval, both Ballina Road and Deegan Drive, and Crawford Park, Alstonville, with sealing, line marking and signage.

Attachment 2 to this report is a design layout that has been prepared for the car park on Deegan Drive.

This layout creates 60 formal car park spaces.

Two car parks are dedicated for disability parking.

The estimate for this project is \$352,000.

Attachment 3 is a design layout that has been prepared for a car park to be constructed on Ballina Road.

This layout provides 64 car parks.

The car park is located on land where informal car parking currently operates.

Ballina Road has a mixture of commercial and residential properties with driveways to enter and exit the property. The design layout for the car park enables vehicles to enter and exit in a forward direction.

Council's technical officers have inspected the driveway location and consider the site distance and overall safety perspective to be suitable for this purpose. The estimate for this project is \$347,000, resulting in a total estimate for both projects of \$699,000.

The estimates allow for earthworks, 300mm deep pavement construction, asphaltic concrete surface, kerb and gutter, drainage and landscaping.

In reviewing these three resolutions, there is technical support for the Deegan Drive Car Park upgrade.

It is in poor condition; it has high utilisation, and it is located adjacent to existing toilets facilities and a playground.

5.5 Community Infrastructure - Recurrent Capital Works

The difficulty is in finding the \$352,000 in funding required to complete the project.

The recurrent Car Park improvements program budget could be deferred for one year, although that still leaves a shortfall of \$248,000.

To fund this difference, another project would need to be deferred, most likely a road reconstruction project.

If Council did see the Deegan Drive Car Park Upgrade as a priority the recommendation would be to defer the Car Park improvements program for one year, with a further report to be submitted to the June 2025 Ordinary meeting, add part of the report on the adoption of the Delivery Program and Operational, identify the preferred project(s) to defer to fund the balance.

Options

The options available relate to the timing of the works identified in the report, along with the priorities, with Councillors able to amend priorities based on community feedback.

There are also many requests for works that have not been included in the four-year program, along with major projects, and this report also needs to be read in conjunction with the following report in this agenda, being the "Community Infrastructure – Non-recurrent Capital Works".

That report deals with large one-off projects that are not able to be funded entirely by recurrent revenue.

The recommendation to this report is to endorse the four year works programs listed, for exhibition, as the priorities represent adopted programs or the latest technical assessments.

The recommendation also includes the deferral of the Footpath / Shared Path Program for one year to allow the completion of renewal works.

Council may also wish to adjust the recommendation to examine the Deegan Car Park upgrade project, as it is supported from a technical perspective.

RECOMMENDATION

That Council approves the inclusion of the recurrent capital expenditure priorities, as outlined in this report, in the draft 2025/26 to 2028/29 Delivery Program and Operational Plan, for public exhibition, subject to the deferral of the Footpaths and Shared Paths improvement program for one year, to allow essential renewal works to be completed on the existing network.

Attachment(s)

1. Alstonville Pool - Car Park Layout
2. Deegan Drive - Car Park Layout
3. Ballina Road - Car Park Layout

5.6 Community Infrastructure - Non-recurrent Capital Works

Section Financial Services

Objective To confirm the preferred works program for the non-recurrent capital works for inclusion in the draft 2025/26 to 2028/29 Delivery Program and 2025/26 Operational Plan.

Background

The capital expenditure in Council's ten-year, long term financial plan (LTFP), can be classified into two groups, recurrent and non-recurrent funded projects.

Recurrent refers to items in the LTFP where an allocation of general revenue funding is provided, each year, to assist Council deliver core community infrastructure.

Non-recurrent refers to items in the LTFP, where funding is not required every year, however there are times when major injections of funding are needed (e.g. swimming pool redevelopments, major community facility refurbishments, major transport related projects, town centre renewals etc.).

This report provides an opportunity for Council to take stock of all the various infrastructure projects and plans that are under consideration by Council and to confirm which projects are to be funded in the LTFP, particularly during the four-year term of the Delivery Program.

Key Issues

- Priorities
- Funding options
- Overall magnitude

Discussion

This non-recurrent community infrastructure report is submitted to Council, each year, as part of the preparation of the draft Delivery Program and Operational Plan. This report allows Council to take stock of the numerous projects Council has delivered, as well as the projects the community wish to see delivered, or projects that form part of Council's strategic planning.

The report is updated each year, with details of projects completed and / or funded, along with identifying projects not yet funded, including new Management Plans and Master Plans that Council may have adopted during the year.

The report provides one opportunity to review existing funding strategies, to confirm priorities, particularly for the next four years, being the term of the draft Delivery Program, and to identify new projects that Council may wish to see considered.

5.6 Community Infrastructure - Non-recurrent Capital Works

Project Inventory (alphabetical order)

- Airport Boulevard – Complete.
- Alstonville Car Parking, 9 Commercial Road, Alstonville – Complete.
- Alstonville Cultural Centre (ACC) – Funding is allocated in the draft LTFP, based on a total cost of \$16.45m funded as follows.

Alstonville Cultural Centre Funding Strategy

Description	2024/25	2025/26	2026/27
Capital Expenditure	500,000	7,060,000	8,890,000
Funding Sources			
Section 7.11 Developer Contributions	200,000	1,560,000	1,000,000
Alstonville Cultural Centre Reserve	300,000	500,000	00
Community Infrastructure Reserve	0	5,000,000	5,000,000
Loan Funds	0	0	2,890,000
Total	3,800,000	12,200,000	8,890,000

Council has been unsuccessful with grant applications for this project. This means there is a significant drain on Council reserves, as well as increased loan debt, for the project to progress. Development consent is in place with tenders to be called for construction in the next few months.

- Alstonville Town Centre – Complete.
- Ballina Indoor Sports Centre (BISC) – Complete, with demand for additional sports courts.
- Ballina Marina Master Plan (Ballina Trawler Harbour) – Council has adopted this Master Plan, and the preference is to lobby the State Government to progress the project.
- Ballina Pump Track – Funded and works underway.
- Ballina SES Building – Council has approved the design for this building, with planning approval likely soon. The estimated cost is approximately \$6m, with funding included in the LTFP as follows:

Ballina SES Building Funding Strategy

Description	2024/25	2025/26	2026/27
Capital Expenditure	180,000	2,000,000	4,000,000
Funding Sources			
Grant Funding Approved	180,000	0	0
Grant Funding Nominal Allowance	0	0	2,000,000
Community Infrastructure Reserve	0	2,000,000	2,000,000
Total	180,000	2,000,000	4,000,000

The \$2m in 2025/26 and 2026/27 is sourced from Council's Community Infrastructure Reserve and \$2m is included in 2026/7, as a nominal grant amount that has not yet been secured.

5.6 Community Infrastructure - Non-recurrent Capital Works

It is not planned to commence calling for tenders for construction until sufficient grant funds are secured, with the initial priority being to secure the planning consent to assist with grant applications.

- Ballina Surf Club – Complete, with maintenance needs increasing.
- Ballina Town Centre – Complete – Eventually Council will need to start planning for the next upgrade.

It is also necessary to reconstruct the roundabout on the intersection of River Street and Martin Street as it does not meet current standards and is not aligned correctly with River Street (the tree alignment highlights this).

This project has been included in the recurrent road reconstruction program for 2026/27 as per the Community Infrastructure – Recurrent Capital Projects report earlier in this agenda.

Council is also seeking to extend the paving and kerb improvements north to Tamar Street, along Cherry, Moon and Grant Streets from River Street. The estimated cost is approximately \$1m per segment and the recurrent road reconstruction program includes funding from 2027/28 to 2029/30 based on \$1m per annum for these sections.

Council also resolved as follows at the 28 March 2024 Ordinary meeting:

That beautification works (including landscaping, lighting and new footpaths) for the River Street block between Grant and Kerr Streets be considered as part of the formulation of the 2024/25 Delivery and Operational Plan.

The preliminary estimate for this work is approximately \$3m, with no funding included in the LTFP, as it is not a high priority compared to other works.

- Bicentennial Park Master Plan – Council adopted this Master Plan at the 27 February 2025 Ordinary meeting. The infrastructure works identified in the Plan are estimated to cost more than \$500,000 with no funding allocated in the LTFP.
- Cawarra Park Master Plan – This Master Plan was adopted at the 27 October 2022 Ordinary meeting, based on the following estimated costs:

Table Two – Cawarra Park Master Plan Components

Item	Amount (\$)
General Works	210,000
Car Parking and Streetscaping	251,000
Baseball / Softball Field Improvements	56,000
Sports Amenity Building - Part 1	901,000
Sports Amenity Building - Part 2	778,000
Sports Amenity Precinct - Open Space	242,000
Contingency	488,000
Total	2,926,000

This plan is currently unfunded.

- CCTV Installation

Council resolved at the 12 December 2024 Ordinary meeting to examine funding options for the installation of CCTV cameras based on an external consultant's report.

The estimated installation cost is \$870,000, with ongoing costs of \$40,000 per annum.

The capital funding has been announced as a Federal Government election commitment by the Labor Member for Richmond.

The preference is to wait until the election outcome is known, to determine whether there will be grant funding available, or whether Council will need to allocate installation funding.

- Coast Road - Skennars Head Car Parking Improvements

At the 27 June 2024 Ordinary meeting, Council resolved, in part, as follows:

That Council receive a report on options to provide safer vehicular parking on the edge of the Coast Road and safer access to Skennars Headland to meet the needs of whale watchers, surfing wave watchers, day visitors, and maintain a safe and efficient Coast Road transportation link while preserving the character, views and amenity of the surrounding area.

The locality is served by formal parking areas at Sharpes Beach and off Headland Drive on the western side of the Coast Road.

There are formed walking paths from these parking areas through the Coastal Reserve to Skennars Headland and a pedestrian underpass on the Coast Road, just north of Headland Drive, to provide safe pedestrian access across this arterial road.

For a portion of the Coast Road, southbound vehicles can have spectacular views of the ocean and coastline as they crest the hill adjacent to Skennars Head and head downhill.

Depending on surf conditions, the weather and whale migration, many drivers do pull over to park on the side of the road, to appreciate the view or take the short walk across the coastal reserve to the headland.

There is no documented data on peak parking demand in this location for the intermittent occasions that it attracts high demand for vehicle parking.

Parking volumes at the location are not monitored and parking surveys are difficult to organize, due to the unpredictable nature of peak demand periods.

The highest parking volumes, captured by historical aerial mapping, is for Saturday 17 July 2021, which shows 15 vehicles parked on the coast side of the road and three vehicles parked on the landward side.

Anecdotal evidence suggests parking demand is somewhat higher than this.

5.6 Community Infrastructure - Non-recurrent Capital Works

Fully occupied shoulder parking on both sides of the Coast Road has been reported on some occasions.

The existing parking area at Sharpes Beach will shortly be upgraded as part of the Sharpes Beach Master Plan implementation.

The existing parking area off Headlands Drive (connected by the Coast Road underpass) could also be extended.

The walking distance to the headland from this location is around 650m.

The process to prepare the Sharpes Beach Master Plan identified that at certain peak times, the parking capacity can be fully utilised, however on most occasions parking is available.

There are also informal opportunities for shoulder parking on both sides of the Coast Road, which is currently in an 80 kph speed zone.

On the east (coast) side there is a 300m section from about 40m north of the 4WD access to Skennars Headland, to the start of the guardrail approaching the crest of the road.

On the west side a similar length of road shoulder parking is available.

This could provide a possible total of 100 informal car parking spaces.

Occupants of the formal parking areas nearer Sharpes Beach, have formed paths to access Skennars Headland.

Those parking informally on the Coast Road shoulders to the north, tend to use informal tracks, or head cross country, through the coastal reserve, to access the headland.

This can cause damage to reserve vegetation and expose walkers to risks.

If more formal shoulder parking were to be provided, the concurrent provision of formal access track(s) across the coastal reserve to link with existing north/south paths would be preferable.

Occupants parking on the west side of the Coast Road are at risk from vehicles when crossing the road.

Movements of vehicles entering / exiting shoulder parking, on either side, can cause safety risks and hazards for these vehicles and for through traffic in this 80kph section of road.

Current safety risk however does not appear to be high as the NSW Crashlink data base has not recorded any crashes on this section of the Coast Road in the past five years.

Movement of vehicles entering / exiting shoulder parking on either side of the Coast Road, and crossing of the road by vehicle occupants, can reduce the through route functionality of the road.

5.6 Community Infrastructure - Non-recurrent Capital Works

However, given the low incidence of these high parking demand periods, this small loss of functionality is not significant.

There is a reasonable supply of off street, formed car parking spaces at Sharpes Beach and Headland Drive, however these may not be convenient for people wishing to park closer to the headland area.

A significant quantity of informal road shoulder parking is available on each side of the Coast Road, close to the headland, providing more informal parking, however there are safety risks associated with parking and/or crossing this 80 kph road.

Given the:

- low frequency, intermittent nature and short duration of high demand periods for parking nearer the headland and
- availability of informal shoulder parking on the Coast Road in this location and
- low incidence of road crashes at this location;

it is difficult to justify the provision of costly infrastructure to provide more formalised parking infrastructure and associated access tracks across the coastal reserve to the Skennars Headland area.

The next image provides a plan for a parking bay that creates 13 formal parking spaces on the east side of the Coast Road, south of the guardrail section near the road crest.

In this location the existing shoulder is of sufficient width to accommodate parallel parking and space for walking to the coastal reserve, with no additional civil or sealing works.

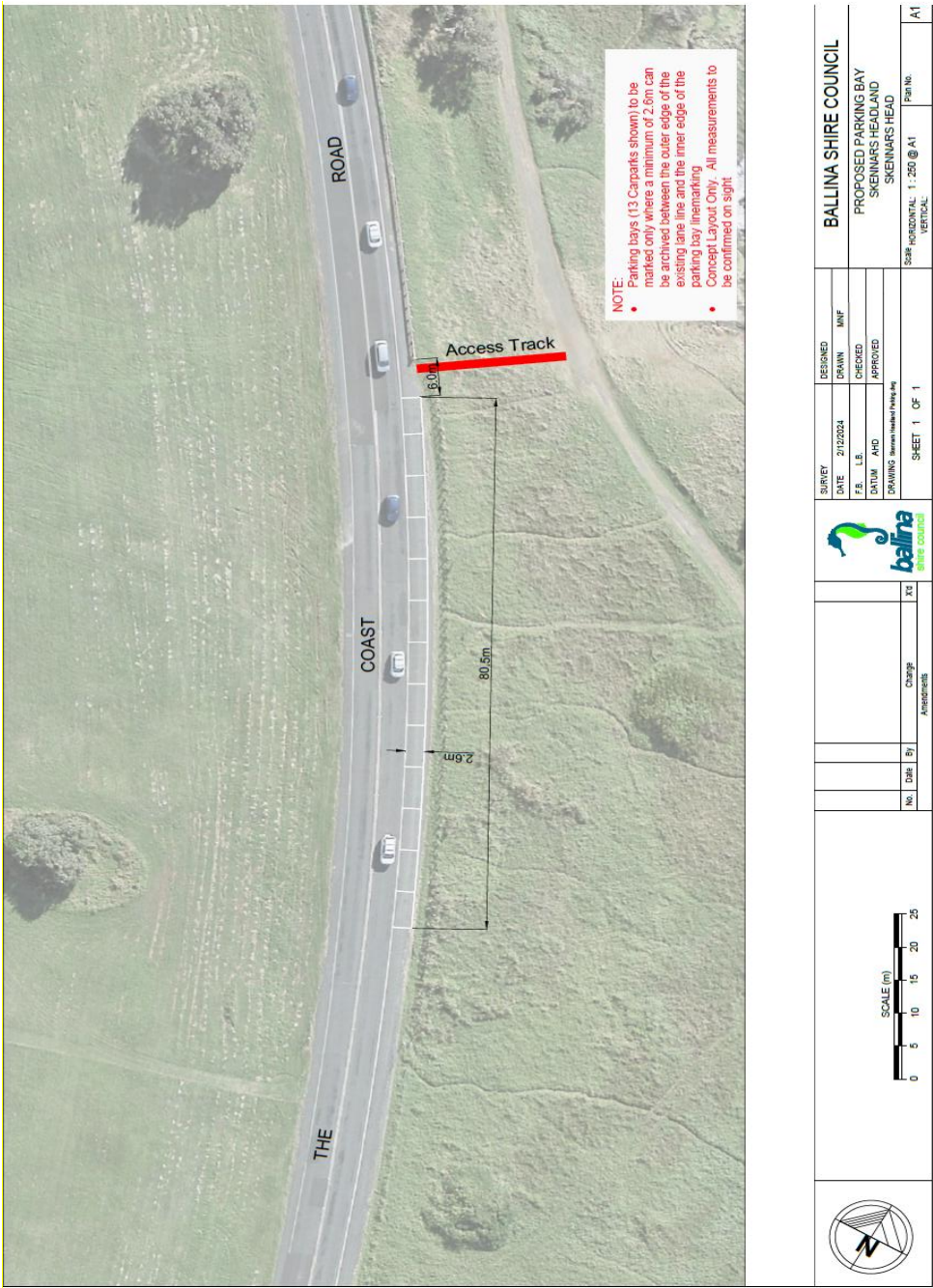
The plan also provides a formal walking track to access the existing coastal track to access Skennars Headland.

The estimate for line marking, signage and the access track is \$5,000.

Provision of shoulder parking beyond this section would require significant civil works (earthworks, shoulder widening and sealing), as well as additional access tracks across the coastal reserve.

For safety and / or damage to the coastal reserve, informal parking outside the areas with sufficient seal shoulders should be restricted, and some form of physical barrier could be provided to inhibit access to the reserve.

The provision of a physical barrier however may impede existing coastal views and would be a consideration in the design of any barriers.



The options available are:

Option 1 – Take no action

At most times there is sufficient informal shoulder parking available on the Coast Road to satisfy demand for parking near Skennars Headland.

On the occasions that demand is high due to surf conditions, whale watching or the like, informal shoulder parking is available.

Whilst this informal parking has some inherent road safety risk, the crash record indicates the risk is low.

5.6 Community Infrastructure - Non-recurrent Capital Works

The informal parking is not serviced by formed tracks to the headland area, which can lead to some personal safety risk and damage to vegetation on the Coastal reserve.

Option 2 – Small increase of low-cost additional shoulder parking:

The provision of 13 parking spaces on the eastern side of the Coast Road and an associated access track to the coastal path, will provide limited parking at low cost, and reduce the risk of damage to the vegetation.

This option is recommended, based on an estimated cost of \$5,000, funded from existing operating budgets.

Option 3 – Prepare concept designs and cost estimates for provision of significant numbers of shoulder parking in a future Council budget

This would be a high-cost option and is not justified due to the limited periods of demand for this quantity of parking.

- Coast and Estuaries Coastal Management Program (CMP)

This will eventually be an all-encompassing program incorporating the Ballina Coastline, Lake Ainsworth, North Creek, Richmond River and, Shaws Bay.

Currently there are various Coastal Management Plans (CMPs) and Coastal Zone Management Plans (CZMPs – superseded by CMPs) that outline the priority actions to deliver improved environmental outcomes for these water bodies.

CMPs are endorsed / gazetted by the State Government, which then assists in securing grant funding.

The status of the existing CMPs and CZMPs is as follows.

Ballina Shire Coastline and Estuaries A project is now underway to update the existing Ballina Coastline CZMP.

Actions in this plan are often difficult to fund due to large monetary amounts involved.

No funding is included in the LTFP for any major actions arising from this review, and works will be dependent on grant funding.

One project linked to the existing Coastline CZMP, relates to the Sand Levee / Car Park Precinct at Rutherford Street, Lennox Head.

Given the ongoing traffic and pedestrian interactions along Rutherford Street and the car park, including the boat ramp area, it is planned to upgrade and improve accessibility and connectivity with the Lennox Head Town Centre.

Council secured grant funding to investigate the reconstruction of the existing sand levee, to reduce the risks of coastal hazards to public and private infrastructure in this location.

5.6 Community Infrastructure - Non-recurrent Capital Works

The preferred works in this location, that include reconstructing the car park area to reduce ongoing conflicts between car, boats and trailers is estimated at \$2m, with no funding included in the LTFP.

Lake Ainsworth Coastal Management Plan (CMP) – Several projects are underway with Council's Healthy Waterways Program allowing Council to secure grant funds.

One of the main projects not completed, or funded, in the existing CMP is for improved access and connectivity between Lake Ainsworth and the Lennox Head CBD.

The work involves the design and implementation of pedestrian pathways, improved road alignment, car parking and foreshore works.

Council's Public and Environmental Health Section is currently preparing concept plans for Council approval, plus public consultation.

The estimated cost of these works is \$1.5m to \$2m, with no capital funding included in the draft LTFP.

North Creek Dredging – Approval - The estimated cost of this project, which is to obtain planning consent and is not for actual dredging, is approximately \$1m with Council having undertaken certain stages of the feasibility process.

There is no funding available to complete all stages of the approval process and no readily available funding source.

The project is now on hold, until the Ballina Shire Coastline and Estuaries Program is completed, as that Program will determine whether dredging is a feasible option.

If dredging is supported, it will help Council seek grant funding to recommence the approval process.

Richmond River – A new CMP is currently being prepared for the Richmond River, with Ballina, Byron, Kyogle, Lismore and Richmond Valley councils all involved in that process, which is being led by Rous County Council.

Once the CMP is adopted, Council may need to allocate funding from the Healthy Waterways Program recurrent budget to actions in the CMP, ideally leveraged with grant funds.

Shaws Bay – The existing CMP is largely complete with a new CMP now underway.

The major project outstanding from the existing CMP is the western footpath connection behind the Shaws Bay Hotel.

The estimated cost of this project is \$1m, with no funding included in the LTFP.

5.6 Community Infrastructure - Non-recurrent Capital Works

- Coastal Shared Path and Coastal Walk – Complete from West Ballina to Lennox Head, with the Coastal Walk being the segment from Boulder Beach to Pat Morton.

Council has had submissions to further improve the disability access by creating additional links and loops, particularly around Boulder Beach.

The next image outlines the options presented to Council by the proponents, in respect to these connections at Boulder Beach, with the high-level estimate for the works, being Upper Section (\$95,000), Middle Section (\$460,000) and Lower Section (\$460,000).



No funding is allocated for these segments in the draft LTFP.

Council has recently secured grant funding of \$3.557m from Transport for NSW (TfNSW), to complete the segment of shared path north from Byron Street, Lennox Head to Cooper Close.

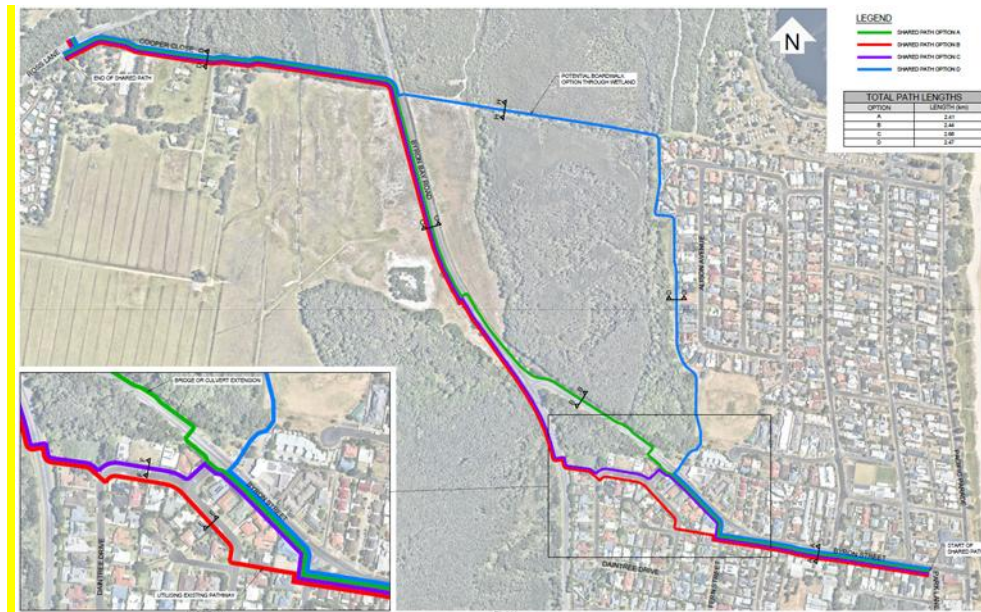
The funding is for the alignment along Byron Street and Byron Bay Road with the works to be completed by May 2026.

Further background information on this project is as follows.

At the 22 February 2024 Ordinary meeting, Council considered a report assessing options to construct a shared path from Park Lane, Lennox Head, to Cooper Close.

5.6 Community Infrastructure - Non-recurrent Capital Works

Four options were presented as follows.



- Option A – Green
- Option B – Red
- Option C – Purple
- Option D – Blue

In response to this report Council resolved as follows:

That Council adopts Option A of the Planit Consulting Options Assessment Report, as per Attachment 1 to this report, as the preferred route for the Lennox Head Shared Path – Park Lane to Cooper Close project and authorises the General Manager to proceed with the detail design and preparation of planning approval documentation to assist with securing funding for this project.

No funding was allocated in the current DPOP to further advance this project.

At the 27 June 2024 Ordinary meeting, Council then resolved as follows:

1. *That Council receives a report on the proposed recreational path that travels north from the Shell Service Station, Lennox Head to the existing path near Barrett Drive.*
2. *This route travels along an existing grassy fire trail and paved area then continues to Lake Ainsworth on an existing cleared boundary zone and fire trail.*

The route in point 1 can be described as Option D in the earlier report.

As mentioned, Council has been advised that TfNSW has approved funding for construction of the shared path from Byron Bay Road to Byron Street Lennox Head, based on Option A of the earlier report.

5.6 Community Infrastructure - Non-recurrent Capital Works

The funding is provided through the State Government's Road Safety Program, Walking and Cycling Infrastructure Sub-Program.

A total of \$3.557m has been awarded for construction of the path, which, under the conditions of the grant, must be completed by May 2026.

This is an excellent outcome as the shared path from Byron Bay Road to Byron Street has been a high priority for the communities of Fig Tree Hill, Ross Lane and Lennox Head for many years.

The project was included as a High Priority in Council's Bike Plan, and subsequently endorsed as the top shared path priority when the Bike Plan was adopted in 2021.

Construction of the shared path will provide improved safety and access for bike riders and pedestrians (vulnerable road users) including school children and residents of Sanctuary Village to use active transport to commute between Fig Tree Hill into Lennox Head CBD.

The current construction of the roundabout, at the intersection of Byron Bay Road and Byron Street (funded through the Federal Government's Black Spot program) will complement the shared path, through the provision of a crossing refuge on the southern leg

There are several preconstruction activities required before work can commence on the shared path including:

- Detail survey and design
- Works within the key fish habitat areas require approval from DPI Fisheries under part 7 of the Fisheries Management Act 1994
- A licence/easement under the Crown Land Management Act 2016 is required where the proposal traverses Crown Land
- The proposed path will cross and tie into Byron Bay Road which is a classified as a regional road and TfNSW approval under section 138 of the Roads Act 1993 will be required
- A application to NSW Heritage for an Aboriginal Heritage Impact Permit (AHIP) variation. The AHIP is required under s.87 and/or s.90 of the National Parks and Wildlife Act 1974.

TfNSW is also conducting a speed review of Byron Bay Road between Hutley Drive and Ross Lane. If approved, the posted road speed may be reduced from 80km/h to 60km/h, providing enhanced road safety and access benefits for users of the future shared path, for residents from the Greenfield Road residential area, and at the new Byron Bay Road and Byron Street roundabout.

In respect to Council's resolution for a report on Option D, planning for Option D can also be supported, if Council is of the opinion that the additional recreational benefits justify the cost in providing that route.

The information in the options assessment noted that option D had the highest level of support in response to the public exhibition.

This can be attributed to the route being more scenic, recreational and not adjacent to the road network.

5.6 Community Infrastructure - Non-recurrent Capital Works

There are significant challenges in delivering Option D, in that only some of the corridor is in Council ownership, and there are environmental, ecological and heritage impacts to consider.

If Option D was delivered, this could be considered a duplication of infrastructure, due to the grant funding now available.

Council has previously accepted duplication, as part of the compromise to achieve the best overall balance for community expectations. The main example is the Coastal Shared Path, and Coastal Recreational Walk, which is duplicated for part of its route, particularly along the Coast Road between Flat Rock and Headlands Drive.

Further information regarding the design options and prospects for planning approval for Option D, would need to see Council allocate funding to engage specialist consultants. The budget would need to range from \$30,000 to \$60,000 to investigate the areas of most risk.

Allocating funds for this purpose is not recommended, as the preference is to complete the grant funded project and then reassess the need for Option D.

Once the Byron Street to Coopers Close segment is completed, Council will be in a better position to determine whether Option D is needed as part of the Shared Path network

- Captain Cook Park Master Plan – The various elements to this master plan are as follows.

Table One – Captain Cook Master Plan – Possible Staged Implementation (\$)

Ref	Item	Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Funded
1.	Laneway and Car Park – access		750,000				On hold
2.	Public Art / Monument					50,000	On hold
3.	Improved Pedestrian Entry - River Street		200,000				On hold
4.	RSL Edge Landscaping	150,000					Complete
5.	Open Park Land – Paths etc.				200,000		On hold
6.	Public Wharf and Pontoon (Boating Now)	300,000					Complete
7.	Water Play Area – Drainage etc.					500,000	On hold
8.	Picnic Shelter – BBQs, Structures				150,000		On hold
9.	Public Toilets					300,000	On hold
10.	Jetty			350,000			On hold
11.	Landscape - Activity Zone / Fawcett Park			150,000			On hold
	Totals	450,000	950,000	500,000	350,000	850,000	

This is a high-profile location, and the project remains a priority, albeit unfunded.

With the Master Plan having been adopted in 2014, it may well be out of date and may require a further consultation process. If this is a priority, the review of the Master Plan should be included as an action in the Draft Delivery Program and Operational Plan.

5.6 Community Infrastructure - Non-recurrent Capital Works

- Companion Animal Management Plan and Public Order - Priority works consistent with this plan include the embellishment of dog leash areas (\$100,000)

Council's Parking Rangers would also like to see Smart Senior Parking technology installed, at an estimated cost of \$500,00.

No funding for these projects is included in the LTFP.

- Flood Management Plans – Council has limited funding in the draft LTFP for flood plain management works and many of the works need State or Federal Government funding assistance.
- Hampton Park Master Plan – This plan is scheduled to be adopted prior to 30 June 2025. There are no financial estimates in that plan, and dependent on what is included in the final document, delivery of the plan is likely to cost more than \$1m, with no funding included in the LTFP.
- Hinterland Shared Path or Walking Trail – Council has previously resolved to look at options for such a project, recognising that funding has focused on the coastal shared path and coastal walk for many years.

It is estimated that consultancy funding of around \$30,000 is needed to complete a high-level assessment of potential route options. No funding has been allocated to that work to date, and there is no construction funding allocated in the draft LTFP.

One of the key priorities is to connect Pearces Creek Road between the Wollongbar Sports Fields and Alstonville, with works being completed on Pearces Creek Road during 2023/24, funded through the State Government's Strong Country Communities Fund – Round 5.

Also, during the past 12 months, Council has secured a grant for the design of the shared path link between Alstonville and West Ballina.

This project is the first step in ultimately delivering a shared path connection between Alstonville and Ballina.

- Kentwell Centre – Complete, although there is an existing Operational Plan action to undertake a master planning process for Treelands Reserve, with that process to consider the expansion of the Kentwell Centre. The outcomes of that process will inform what funding is needed in future years.
- Kingsford Smith Reserve Master Plan – Council adopted this Master Plan in 2021. Total value of the works in the plan is estimated at \$25m.

Approximately \$3m in grant funding has been expended to date, with the construction of the Ballina Pump Track now underway.

There is \$227,000 allocated in 2026/27 in the Sports Fields Recurrent Capital Projects for further improvements to Kingsford Smith Reserve, with no other major injections of funding allocated in the draft LTFP.

- Lake Ainsworth Southeastern Precinct and Road Closure – Complete.

5.6 Community Infrastructure - Non-recurrent Capital Works

- Lennox Head Cultural Centre and Skate Park – Complete, with interest expressed in expanding the skate park.
- Lennox Head Pre-school – No longer a priority based on the new school site including a pre-school.
- Lennox Head Rural Fire Service Shed – Complete.
- Lennox Head Surf Club – Estimated cost of \$8m based on preliminary designs. This project was identified as a priority due to structural concerns regarding the building approximately seven years ago.

Certain works have been completed to address some of those concerns and the urgency of the project has decreased.

- Lennox Head Village Renewal – Complete, including Ross Park and Lennox Park.
- Marine Rescue Tower – Complete, with maintenance needs increasing.
- Martin Street Boat Harbour Master Plan – Council resolved at the 28 August 2024 Ordinary meeting to take no further action in respect to this Master Plan.

The preference in that resolution was to focus solely on land embellishments and improvements. That work will need to be financed through the Open Spaces operating budgets.

- Missingham Park Concept Plan and Car Park – Complete.
- Northern Rivers Community Gallery Refurbishment – Complete including purchase of the adjacent fire station, which was converted into Ignite Studios.
- NSW Boating Now Plan for Wharves and Jetties – Majority of smaller boat ramps and jetties complete.
- Pat Morton Master Plan Precinct Upgrade – Council adopted this plan in 2021, with the focus on improved accessibility, particularly in connecting the shared path at the southeastern and northwestern ends of the car park.

The total cost of the works is estimated at \$900,000 with no major funding included in the draft LTFP.

This is a high priority due to the heavy use of the car park, and its overall poor condition.

Options are being examined to potentially apply internal reserves and the deferral of certain projects to allow the work to proceed, subject to further reporting to Council.

- Pop Denison Park Master Plan – Complete or funded, with the car park works scheduled for 2025.

5.6 Community Infrastructure - Non-recurrent Capital Works

- Rayner Lane Reconstruction – There have been numerous submissions for this project with no funding allocated to date.
- Sharpes Beach Car Park Master Plan – The current LTFP includes \$1.35m for the delivery of this project, funded from grant income and developer contributions.

Based on recent cost escalation, the estimated cost to complete the plan is expected to be significantly higher.

Once the updated pricing is confirmed, Council will need to look at allocating additional developer contributions and potentially internal reserves to allow this project to be completed in full.

- Section 7.11 Developer Contributions Roads Plan – The Section 7.11 Roads Plan has tens of millions of dollars of road infrastructure projects identified over the next 20 years and the timing of those works will depend on the collection of developer contributions.

The plan is based on three distinct time periods for delivery of the works, with the timing based on future traffic modelling.

An overview of the works in the plan is as follows, using the estimated costs in the plan.

Section 7.11 Roads Plan – Works Schedule (\$'000)

Works Schedule	Developer (%)	2011-2019	2019-2028	2028-2036	Status
Western Arterial	100			35,000	Not started
River St – Fisheries Ck Bridge to Tweed St – 4 Lanes	49.6		4,300		Complete
Tamarind Drive – North Ck Road to Kerr St – 4 Lanes	98.6		7,900		Progressing
River Street – Fisheries Ck Bridge – 4 Lanes	49.6		5,900		Progressing
Tamarind Drive – Canal Bridge – 4 Lanes	98.6		4,400		Progressing
River St - Fisheries Cr Bridge to Interchange – 4 Lanes	98.6		10,600		Part complete
Hutley Drive Extension	100			14,800	Part complete
Bangalow Road / Hogan St – New Left In / Left Out	100		700		Complete
Angels Beach Drive / Sheather St – new Left In / Left out	100		800		Complete
North Creek Road and Bridge	100		21,400		In planning
Ross Lane Improvements – West	100		5,200		Part complete
Ross Lane Improvements – East	48.5		11,600		Part complete
Tintenbar Road / Teven Road – Climbing Lanes	325			4,300	Not started
Tamarind Drive to Sthn Cross Drive – Right Turn Ban	100		170		Progressing
Nth Ck Rd / Reservoir Rd / Hutley Dve – Traffic Calming	71.6		3,100		Not started
River Street / Cherry Street – Roundabout	70	1,300			Complete
River Street / Moon Street - Roundabout	70	1,300			Complete
Tamar Street / Cherry Street – Roundabout	70	700			Complete
Angels Beach Drive / Bangalow Road – Lane Extensions	100	990			Complete
Ballina Heights Drive	70	5,400			Complete
Cumbalum Interchange - Eastern Roundabout	100	3,900			Complete
Cumbalum Interchange - Eastern R'bout – Upgrade	100			900	Not started
Sandy Flat Road	100		3,300		Not started
Nth Ck Rd - Tamarind Dve to Sth Cross Dve – 4 Lanes	46		1,600		Progressing
Tamarind Dve – Flathead Lane to Nth Ck – 4 Lanes	100		2,900		Not started
Bangalow Road – Additional Lane – Angels Beach Drive	100		1,400		Complete
Byron Bay Rd / Hutley Dve R'bout – Connect Hutley Dve	100	3,200			Complete
Coast Rd / Nth Ck Rd / Byron Rd / Ballina St R'about	100			1,600	Not started
Barlows Road Link	64.5		7,800		In planning

The Developer % column represents the percentage of the total cost of the works able to be funded by developer contributions collected by Council (i.e. the Section 7.11 apportionment).

5.6 Community Infrastructure - Non-recurrent Capital Works

The Section 7.11 apportionment is high for many of the projects, however the State Government cap on developer contributions for residential lots (\$20,000 since 2012 with some exemptions to \$30,000) means that Council is not collecting sufficient funding from developer contributions to allow the projects to be fully funded.

This means that Council must rely on grants, or Council revenue, for many of the projects to proceed.

A link to the Section 7.11. Roads Contribution Plan on the Council website is as follows:

[Ballina Shire Roads Contribution Plan Version 4.2.DOCX \(nsw.gov.au\)](#)

The total value of the works in the plan is estimated at approximately \$166m based on the estimates when the plan was originally adopted over ten years ago. The estimates are now well out of date as, as detailed later in this report, regarding the bridge duplication report.

The draft LTFP, includes the following major projects, identified as priorities for the next four years:

- Hutley Drive – Middle Section – planning approvals only
- Fishery Creek Bridge Duplication – Construction
- Canal Bridge Duplication - Construction
- Tamarind Drive – Four lanes to North Creek Road from Kerr Street
- North Creek Road – Four lanes between Tamarind Drive and Southern Cross Drive
- North Creek Bridge – planning approvals only

During the last 24 months Council has secured \$40m in grant funding through the State Government's Northern Rivers Recovery and Resilience (NRRR) Program (Tranche 2) to fund a large part of these works, with the draft LTFP currently including the following project costs.

Item	2025/26	2026/27
Hutley Drive – Middle Section	350,000	100,000
River St - Fishery Creek Bridge Duplication	18,750,000	5,350,000
Tamarind Drive Duplication	8,680,000	5,000,000
Tamarind Drive – Canal Bridge Duplication	13,855,000	350,000
Tam Dve / Nth Ck Rd / Sthn Cross Duplication	2,200,000	
North Creek Road and Bridge	200,000	200,000

The Fishery Creek, Canal Bridge and Tamarind Drive projects are all funded in part by the grant. There is also the following budget included for Evacuation Route Raising, which is a requirement of the grant funds.

Item	2025/26	2026/27
Evacuation Route Raising	2,165,000	6,200,000

Subsequent to the draft LTFP being finalised, updated estimates have been provided for the grant funded projects, as per the following information.

The project known as the Evacuation Route Project includes the following works:

- Duplication of Fishery Creek Bridge on River Street

5.6 Community Infrastructure - Non-recurrent Capital Works

- Duplication of Canal Bridge on Tamarind Drive
- Evacuation Route Road Raising Projects
- Duplication of North Creek Road (Tamarind Drive – Southern Cross Drive)

The budget for these works is approximately \$56m.

The funding source for this budget is \$39.4m from the Federal Government's NRRR Program and \$17m from Council.

Council's budget is sourced from developer contributions and loan funds.

Council has approved a procurement strategy for the project. This strategy is referred to as Early Tenderer Involvement (ETI).

Following an expression of interest process, Council shortlisted three prospective tenderers.

A risk allocation, design review, and documentation update process has been completed with the prospective tenderers. Council will shortly be inviting the prospective tenderers to enter the pricing phase.

In respect to the latest budget information, the figures are sourced from an external quantity surveyor and cost estimator, with reviews from Council's technical officers.

The scope of works has been managed, in consultation with the design consultants and the prospective tenderers to ensure the scope of works is limited to essential works.

The revised budget for the full scope of works is now \$88.6m. This means there is a shortfall of \$32.3m.

This budget includes an 18% contingency and cost escalation allowance.

Once tender prices are known, it will be possible to consider a reduction of the contingency amount and overall budget.

The tender documents also enable tenderers to nominate design or construction methodology innovation savings.

Ongoing discussions with the NSW Reconstruction Authority have been held in respect of approvals under the grant program for changes to scope and budget.

Council can expect a favourable response to an application to change the scope to reallocate \$8m from the Evacuation Route Road Raising component of the work to the bridge duplication projects.

The program funding has an amount of contingency and it is possible Council could receive another \$8m in Federal Government funding.

The NSW Reconstruction Authority expect Council to match the \$8m, if approved.

5.6 Community Infrastructure - Non-recurrent Capital Works

Assuming Council is willing to fund this matching component the revised available budget for the project would be.

Cost of Works (achieved by removing evacuation routes from scope)	\$80.7m
Original Funding	\$56.4m
Add \$16m Contingency Funding	\$72.4m
Shortfall	\$8.3m

This position is considered reasonable for the purposes of asking tenderers to price.

It is possible by reducing the contingency, accepting innovation bids and market competition for the tenders to be within budget.

If a budget shortfall is still presented after tender pricing, Council will have the option to rescope the project, such as proceeding with one bridge duplication only, or increasing the budget through loan funds, or additional grant funds, or a combination of both.

The tender documentation is structured so that pricing includes separable portions, which means the option to reduce scope can be managed easily under the tender assessment process without returning to the market.

The scope of works for this project does not include an upgrade to the intersection of North Creek Road and Tamarind Drive.

Improvements works for this intersection are becoming more desirable as peak time congestion continues to grow.

Further traffic modelling in respect of the preferred solution for this issue is being undertaken.

Upgrading this intersection may involve reintroducing the Barlows Road project to the program. The objective of this is to reduce the amount of traffic needing to use the intersection.

The Barlows Road project was last estimated at \$12m, however for the objective above it would be possible to stage the works by removing the two roundabouts currently in the scope.

This is mentioned here so that Council is aware that constructing Barlows Road concurrently with the bridge duplication work or shortly after, if this possible via loan funding, would be beneficial.

This is a significant amount of relatively late information, and it is recommended that Council receive a further update on the funding for these projects, and the revised scope of these projects, as part of the report to June 2025 Ordinary meeting (or earlier), when the Delivery Program, Operational Plan and LTFP are adopted.

It is also proposed to include a note in the exhibited documents confirming the significant increases in the estimates for these projects.

5.6 Community Infrastructure - Non-recurrent Capital Works

Finally, it should be mentioned that the estimate for the North Creek Bridge project is now \$98m, compared to the original estimate of \$21.4m in the Roads Contribution Plan.

This project is not likely to proceed unless Council secured tens of millions of dollars in grant funds.

- Skennars Head Sports Field Expansion – Complete.
- Swimming Pool Upgrades – Ballina and Alstonville – Complete, with ongoing requests for increased maintenance and potential further improvements.
- Teven Reserve – Project on hold due to the identification of significant Aboriginal Cultural material.
- Wardell Town Centre – Boardwalk and other ancillary works completed although they are now flood impacted, with works underway to have the structures reinstated.

Council also adopted the Wardell Village Centre Revitalization - Master Plan in 2023, with this plan identifying three key focus areas:

- 1) Connecting to the River – estimated cost \$1.1m
- 2) The Street – estimated cost \$2.2m
- 3) Community Green Space – estimated cost \$1.1m.

The Community Green Space works are funded and underway with no funding currently included in the draft LTFP for the remaining two sections. Grant funding may well be needed to complete this project.

- Wollongbar Sports Fields – Complete.
- Wollongbar Skate Park – Complete.
- Wollongbar District Park – Complete.

Community Engagement Strategy

The priorities endorsed by Council will be included in the draft 2025/26 to 2028/29 Delivery Program and Operational Plan for public comment.

Financial / Risk Considerations

The financial implications of this report are dependent on the priorities determined by Council.

Options

The discussion section of this report identified a wide range of works, some of which are funded, and many of which require grant funding, in full, or in part, to proceed. If Council wishes to see projects added, or the timing changed, the projects should be identified to allow funding options to be examined.

5.6 Community Infrastructure - Non-recurrent Capital Works

There may also be options to reschedule recurrent works, as listed in the Community Infrastructure – Recurrent Capital Works report, earlier in this agenda.

Additional options can be examined prior to the minutes of this meeting being submitted to the April 2025 Ordinary meeting, or during the public exhibition period, to allow the information to be reported to the June 2025 Ordinary meeting, when Council adopts the draft 2025/26 to 2028/29 Delivery Program and Operational Plan.

The recommendation is to note the contents of this report, with Council having the opportunity to seek changes to the works identified, if needed. There are also recommendations relating to matters raised within the report.

RECOMMENDATIONS

1. That Council notes the contents of this update on non-recurrent community infrastructure works and projects.
2. That Council confirms Option 2, as detailed in this report, as the preferred approach to help address parking on the Coast Road at Skennars Head, being the provision of 13 parking spaces on the eastern side of the road, at an estimated cost of \$5,000, funded from existing operating budgets.
3. That Council defer any further investigation into the feasibility of delivering Option D, as referenced in this report, for the Byron Street to Cooper Close segment of the shared path network, until the need for that option is reassessed, following the completion of the State Government funded segment along Byron Street and Byron Bay Road.
4. That Council receive a further update, to the June 2025 Ordinary meeting, or an earlier meeting, on the scope, estimated costs and options for funding the projects that form part the Northern Rivers Recovery and Resilience (NRRR) Program (Tranche 2) based on the significant cost increases, as per the contents of this report.

Attachment(s)

Nil

5.7 General Fund - Long Term Financial Plan

5.7 General Fund - Long Term Financial Plan

Section Financial Services

Objective To review the draft General Fund Long Term Financial Plan (LTFP) and to obtain Council approval to exhibit the LTFP as part of the draft 2025/26 to 2028/29 Delivery Program and 2025/26 Operational Plan.

Background

The Long-Term Financial Plan (LTFP) forms a major component of the exhibition of the draft Delivery Program and Operational Plan.

Council's finances consist of a wide range of programs, with the standalone business activities of Water, Wastewater and Waste having been the subject of separate reports to the March Finance and Facilities Committee meeting.

The focus of this report is on the remaining programs, which represent the bulk of the General Fund, with the LTFP at a stage where it can be exhibited, subject to any changes that arise from this meeting.

There are two attachments to this report:

- Attachment 1 – LTFP (provides a brief summary that helps to explain the LTFP and the assumptions applied) and
- Attachment 2 – LTFP and Budget (provides detailed information on the LTFP and budget)

The more detailed LTFP (Attachment 2) consists of seven main sections:

- Part A – Provides an overview of the forecast results, from an operating result and working capital perspective.
- Part B – Provides the operating revenues and expenses for each of the General Fund programs, along with Water and Wastewater
- Part C – Summary of the capital expenditure planned, along with how that expenditure is funded.
- Part D – Summary of capital income items and movements in Section 7.11 contributions.
- Part E – Transfers to and from the reserves held within the General Fund, along with forecast reserve balances.
- Part F – Summarises the General Fund loan repayments and loan debt.
- Part G – Appendices for the document.

5.7 General Fund - Long Term Financial Plan

Key Issues

- Financial sustainability and forecast working capital result
- Council services

Discussion

In managing a Council's finances one of the key objectives is to obtain a cash operating surplus, with the surplus funds then invested into capital activities such as asset expenditure, particularly asset renewal, loan principal repayments and transfers to reserve for future activities.

This means it is important to minimise increases in operating expenses, without offsetting revenues, as any net increase results in less funding available for capital activities.

The current forecast operating results, and working capital (WC) movements, for the General Fund are as follows, as per Attachment 1 and Attachment 2 – Part A.

Table 1 - Forecast General Fund Operating Result (\$'000)

Year	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Operating Revs	100,067	103,694	108,410	111,975	116,069	119,184	123,326	127,586	132,135	136,730
Operating Expenses Excl Non-Cash	82,002	83,031	86,205	88,455	91,056	92,376	95,491	98,552	100,949	104,024
Result before Non-Cash items	18,065	20,663	22,205	23,520	25,013	26,808	27,835	29,034	31,186	32,706
Less Depreciation and Loss on Disposal	25,070	25,798	25,832	26,658	27,508	28,385	29,290	30,223	31,185	32,178
Add Other Non-Cash (Fair Value Adjustments)	3,360	3,360	2,277	1,995	1,563	1,582	1,601	1,621	1,641	1,684
Operating Result (Deficit)	(3,645)	(2,858)	(1,632)	(1,575)	(913)	24	166	452	1,663	2,212
Operating Ratio	-4.45%	-2.32%	0.71%	-0.16%	0.49%	1.34%	1.48%	1.72%	2.66%	3.04%
WC Result	(764)	(596)	(393)	(379)	(168)	(52)	(3)	(34)	12	24
WC Balance	1,627	1,031	638	259	91	39	36	2	14	38

For 2025/26, the forecast Operating Result is a deficit of \$3.645m and the forecast cash result is a reduction to working capital of \$764,000.

Council's forecast depreciation expense and loss on disposal of assets for 2025/26 is \$25.07m, which represents 23% of total operating expenses.

Non-Cash adjustments include an estimate of a fair value increment on investment properties and a net gain on disposal of real estate assets and plant. The fair value increment on investments is estimated as \$960,000 for all years. The gain on disposal of real estate assets is estimated as 10% of the gross sale proceeds.

The future year forecasts indicate the General Fund reaches an operating surplus, in 2030/31. The working capital results do not reach a positive movement until 2033/34.

These forecasts should be viewed with some caution, as the further out the forecast period, the less reliable the information.

5.7 General Fund - Long Term Financial Plan

Table 1 also includes the forecast Operating Performance Ratio, as per the draft LTFP.

This is measured as the operating result (total operating revenue less operating expenditure, excluding profit or loss on sale) as a percentage of operating revenue.

The ratio is predicted to be negative for 2025/26 and 2026/27, working towards a positive ratio from 2029/30.

As reported to the March 2025 Finance and Facilities Committee meeting, Council's overall level of rate income is comparably low, which limits the opportunities to increase service levels, to increase operating and capital budgets and to take on new services.

The information from the Rating Structure – 2025/26 report to that meeting is replicated as follows, with Table Two below benchmarking neighbouring councils for 2024/25 and Table Three showing information from the NSW State Government's Your Council website, with the latest data being for 2022/23.

Table 2 – Benchmarking from Neighbouring Councils 2024/25

Council	Average Business Rate (\$)	Average Residential Rate (\$)	Average Farmland Rate (\$)	Yield Difference (\$)	Difference (%)
Ballina	4,144	1,271	1,985	0	
Byron	4,204	1,614	2,877	7,064,796	23
Clarence Valley	3,689	1,394	1,947	1,525,227	5
Lismore	5,475	1,489	2,750	6,465,511	21
Richmond Valley	3,878	1,298	2,075	202,824	1
Tweed	3,483	1,689	2,581	7,115,831	23
Average of Above	3,553	1,452	2,031	2,455,512	11

Table 3 – NSW State Government Your Council 2022/23

Council	Average Business Rate (\$)	Average Residential Rate (\$)	Average Farmland Rate (\$)	Yield Difference (\$)	Difference (%)
Ballina	3,642	1,164	1,827	0	
Average Group 4	3,999	1,237	2,589	2,540,651	9

From the analysis at Table Two, for 2024/25, Ballina Shire Council ordinary rates generated 11% less revenue than the average and 23% less than the high end (Byron and Tweed) of the neighbouring councils benchmarked.

Table Three shows that, for 2022/23, Ballina Shire Council ordinary rates generated 9% less revenue than the average of all Group 4 NSW Councils. That differential would be higher now, following special rate variations (SRVs) approved for other councils since that time.

The Office of Local Government recommends that councils include modelling options in the LTFP.

Furthermore, Council had resolved at the October 2024 Ordinary meeting as follows:

That as part of the preparation of the 2025/26 to 2028/29 Delivery Program and 2025/26 Operational Plan, Council receive a report that examines our current

5.7 General Fund - Long Term Financial Plan

level of rate income and the long term financial sustainability of the General Fund, to assess whether Council should consider increases above the rate peg limit, subject to IPART approval.

The draft LTFP (i.e. Attachment 1), provides the General Fund forecast based on Table 1 (referred to as Model 1).

This model is based on the financial planning assumptions outlined, including a rate peg limit of 3.25% from 2026/27 onwards.

Under this Model Council does not achieve an operating surplus on a consolidated basis for the ten-year period and the General Fund until year six (2030/31).

A second scenario is provided, based on Council generating a level of rate revenue consistent with the average of the neighbouring councils through a special rate variation (Model 2).

As noted, Ballina Shire Council ordinary rates generate 11% less revenue than the average of neighbouring councils.

This model assumes a special rate variation of 11% above the rate peg over a four-year period.

This results in proposed rate increases of 6% per annum for 2026/27 to 2029/30, inclusive of an assumed rate peg of 3.25% and an additional 2.75% from the SRV.

The allocation of the additional revenue is a matter for Council to determine, however for modelling purposes the revenue has been allocated as follows:

Table 4 – Medium SRV Funding Distribution

Service	2026/27	2027/28	2028/29	2029/30
Additional Capital				
Stormwater	100,000	200,000	350,000	400,000
Roads	100,000	200,000	374,000	955,000
Open Spaces	50,000	200,000	300,000	300,000
Sports Fields	100,000	200,000	300,000	300,000
Community Facilities	50,000	200,000	300,000	400,000
Footpaths / Shared Paths	35,000	55,000	150,000	250,000
Expanded Operating				
Waterways / Biodiversity	90,000	190,000	290,000	300,000
Roads Operations	200,000	300,000	403,000	593,000
Open Spaces Operations	100,000	200,000	300,000	400,000
Facilities Maintenance	50,000	100,000	150,000	200,000
Total Per Annum	875,000	1,845,000	2,917,000	4,098,000

It is critical that any additional revenue is largely allocated to capital, as this ensures that the operating result improves (i.e. allocating additional revenue to increased operating expenses means there is no improvement in the operating result), and this also assists in ensuring that existing assets are renewed in a timely manner.

A third scenario is provided, based on Council generating a level of rate revenue consistent with the high end of neighbouring councils through a special rate variation (Model 3).

5.7 General Fund - Long Term Financial Plan

As noted, Ballina Shire Council ordinary rates generate 23% less revenue than the high end of neighbouring councils, Byron and Tweed, which are similar coastal councils.

This model assumes a special rate variation of 23% above the rate peg over a six-year period.

This results in proposed rate increases as 7.08% per annum for 2026/27 to 2030/31, inclusive of an assumed rate peg of 3.25% and an additional 3.83% from the SRV. The additional revenue is distributed in the same manner as per Table 4.

Both Model 2 and Model 3 highlight the benefit of an SRV through the extra revenue being invested into increased capital expenditure and higher levels of maintenance.

The General Fund's financial sustainability has also been examined by Council's Audit and Risk Improvement Committee (ARIC). A report prepared by ARIC's Chairperson, and subsequently endorsed by ARIC members, has been included as Attachment 3 to this report.

That report provides an overview of the General Fund's financial results and provides a good discussion on financial sustainability considerations for the General Fund's LTFP.

The options and conclusions presented by the ARIC report (pages 7 to 9 of that report), are for Council to increase income or reduce expenditure. The increase to income discussion includes a special rate variation.

Another recommendation noted is to review operations, with specific mention of the Ballina Byron Gateway Airport (BBGA). Council has previously examined privatizing, leasing or selling the BBGA, with the preference being not to proceed.

In respect to the models presented, matters of note in the General Fund forecasts, include:

- Salaries and wages are forecast to increase by 3.5% (plus a lump sum of \$1,000 per FTE) for 2025/26, in accordance with the NSW Local Government Award. Some salary budgets in higher staff turnover areas, have been set at 90% or 95% of total salaries, to reflect leave taken during the year as well as potential vacancies that occur during the year.
- Forecast dividends to the General Fund for 2025/26 include \$400,000 from Commercial Property, \$100,000 from Flat Rock Tent Park, \$50,000 from Cemetery operations and \$50,000 from Waste Management. This represents an increase from 2024/25 from Commercial Property and the Flat Rock Tent Park, which were \$250,000 and \$50,000, respectively, for 2024/25.

The increases in dividends were needed to reduce the working capital deficits initially forecast.

The draft LTFP and budget (Attachment 2) provides more detailed information on the individual programs, per Model 1. An overview of that information is as follows.

Introduction (Attachment 2 – Part A)

Provides a summary of the documents and the financial forecasts for the General, Water, Wastewater and Consolidated operations of Council, with this report focusing on the General Fund.

Operating Budgets (Attachment 2 – Part B)

Planning and Environmental Health Division (pages 15 to 28)

- **Development Services**

Operating revenue is forecast to be higher than the 2024/25 forecasts, with total revenue \$143,000, or 6.4%, higher than 2024/25.

This is based on an expectation that development activity starts to increase, above recent levels for 2024/25 and 2023/24.

This forecast is still below revenue achieved in each year between 2019/20 to 2022/23.

Operating expenditure, excluding costs redistributed, is forecast to be a net \$237,000 lower than 2024/25 forecasts, a decrease of 5.7% in total.

The largest budget item for this section is salaries and employee related costs, which is forecast to be \$199,000, or 6.3% higher than 2024/25. The salaries budget for 2025/26 has been set at 90%, in comparison to only 85% for the 2024/25 year.

A budget for consultancies is retained, with forecast expenditure of \$220,000, or \$60,000 less than 2024/25.

Dependent on actual staff turnover and engagement of additional casual resources, subject to availability, these budgets may vary.

The budget for legal expenses has been set at \$350,000. It is difficult to predict this expense. This budget is well below the last five-year average. The current adopted budget for 2024/25 sits at \$700,000.

There is currently no internal reserve set aside to assist with additional resources or variances in legal expenditure. Any required increases to these budgets may need to be funded from other internally restricted reserves if they are unable to be revenue funded.

- **Health and Environment**

The 2024/25 operating revenue budgets include grant income of \$145,000 for the Maguires Creek Rehabilitation Project, with a corresponding income forecast of \$51,000 for 2025/26.

5.7 General Fund - Long Term Financial Plan

Forecast incomes for registrations and inspections and OSSM fees have been increased based on trending of 2024/25 actuals to date.

Operating expenditure is forecast to be \$333,000 lower than 2024/25.

Expenditure budgets include salaries as well as expenditure for management plans and projects.

The budget for salaries is \$188,000, or 10.3%, higher than 2024/25.

The 2024/25 expenditure budgets include \$500,000 for the Lake Ainsworth Coastal Management Plan, compared to \$30,000 for 2025/26.

The largest expenditure projects for 2025/26 encompasses the Healthy Waterways Program and the Maguires Creek Rehabilitation Project.

- Public Order (Ranger related activities)

Operating revenue is forecast to be 16.5% higher than the current adopted 2024/25 budgets.

The forecast for Parking Fines income has been increased by 20% to \$350,000, based on trending of 2024/25 actuals to date.

Forecast operating expenses are forecast to be 12.5% higher than 2024/25.

- Strategic Planning

Operating income for this section includes interest income on developer contribution reserves.

Forecast interest income is \$836,000, a decrease of \$118,000 from 2024/25 based on lower forecast reserve balances.

Salaries and associated costs for 2025/26 are \$67,000, or 5.7%, higher than the current 2024/25 forecast

Expenditure budgets for 2025/26 included \$210,000 for Resilient Lands Strategy, \$100,000 for Koala Habitat Restoration Small Grants expenditure and \$50,000 for Wonderful Wardell, grant funded initiatives.

- Northern Rivers Community Gallery

Forecast operating income and expenditure budgets are reasonably consistent with 2024/25.

- Open Spaces

Operating income budgets for 2024/25 includes \$157,000 for the rental of the Wollongbar sports field.

Other operating income budgets are reasonably consistent with 2024/25.

The LTFP currently includes income from 4WD Beach Permits for the 2025/26 to 2027/28 years, with the forecast for 2025/26 being \$240,000.

5.7 General Fund - Long Term Financial Plan

Forecast operating expenses are \$442,000, or 4.5%, higher than the current 2024/25 forecast.

Civil Services Division (pages 29 to 52)

- Infrastructure Planning

Employee and related costs have increased by a net \$159,000, an increase of 5.4%.

- Stormwater and Environmental Protection

The 2024/25 operating budgets include income for Flood Management Plans and Studies and grant income for the Preparing Australian Communities Grant (total of \$509,000 income budgets), with corresponding expenditure budgets (total of \$853,000 expenditure budgets).

Salary and employee related costs are decreased by \$42,000, with the successful placing of a permanent stormwater engineer, a position which had required consultancy cover over the last couple of years.

Other recurrent budgets have a net indexation of between 0.0% and 3.0%.

- Roads and Bridges

Excluding natural disaster budgets, the recurrent expenditure budgets are increased by a net \$49,000, or 1.5% from 2024/25.

Depreciation and loss on disposal of assets are significant non-cash expenses within this section, with an increase of \$1.15m to the forecast for 2025/26.

- Ancillary Transport Services

The 2024/25 budgets include grant funding of \$311,000 for the Alstonville to West Ballina Shared pathway, with a matching expenditure budget.

The 2024/25 expenditure budgets also included a budget of \$148,000 for Lake Banyanda canal works.

The next major works is forecast to occur in 2026/27 for the Ballina Quays canal works.

These works are planned and budgeted every five years thereafter.

- Emergency Services

Expenditure budgets include contributions for Fire Brigades, Rural Fire Service and State Emergency Services, which have been indexed approximating a CPI increase. These amounts have not yet been confirmed.

Corporate and Community Division (pages 53 to 80)

- Governance

The 2024/25 budgets included \$358,000 for the Local Government Election.

5.7 General Fund - Long Term Financial Plan

Employee and related expenses are increased by \$65,000, or 5.1%.

The 2025/26 and future budgets include an increase for new procurement software. That budget was previously included within Information Services budgets.

- Communications and Customer Service

Employee and related expenses are decreased by \$83,000, or 7.1%.

Software, licence fees and website management expenditure are increased by \$50,000, or 33.3%.

- Financial Services

Ordinary rates income has increased by \$1.39m, which represents the rate peg of 3.8% plus anticipated growth.

An increase of \$185,000 for the Financial Assistance Grant represents an assumed indexation of 3.0%.

Interest on investments for 2024/25 is forecast at \$1,450,000. This estimate is consistent with the 2024/25 forecast, anticipating slightly higher returns on a lower average investment holding.

The budget for employee expenses have increased by \$58,000, or 3.7%.

The expenditure budget for valuation fees is anticipated to increase by 23% based on a price increase notification from the NSW Valuer General.

- Information Services

The budget for employee expenses have increased by \$98,000, or 3.9%.

Hardware support and internet expenses have increased by \$50,000.

The budget for Other Software licence fees is lower, with procurement software now within the Governance section.

- People and Culture

The larger budgets for this section include Employee Entitlements, Superannuation and Oncosts Recouped.

Employee Entitlements are increased by \$383,000, or 8.3%. This increase is based on trending of the 2024/25 actuals to date, with award increases factored in.

The larger component of the superannuation budget relates to the Superannuation Guarantee Contribution (SGC) that applies for most Council employees. The budget increase reflects an increase in the SGC from 11.5% in 2024/25 to 12.0% in 2025/26.

The other component relates to those employees who are in the Defined Benefits Superannuation Scheme. The required budget for employees of

5.7 General Fund - Long Term Financial Plan

this scheme for 2025/26 is reasonably consistent with 2024/25 due to the transfer of an employee from another local government entity, however generally thereafter declines year on year as these employees move into retirement or leave the organisation.

Oncosts recouped are increased by \$554,000, or 5.8%.

This item, shown as a negative expense, reflects the charging out across the entire organisation, of all the costs associated with employee entitlements (i.e. workers compensation, superannuation, annual leave, long service leave and sick leave).

Forecast salaries for this section increase to \$1,481,000, based on a restructure of positions across the organisation and centralising services such as training and development and work health and safety, within this section.

The income and expenditure budgets across 2025/26 to 2029/30 include Trainees and Apprentices funded from the State Government. It is anticipated that there is a funding shortfall (a net difference between the income and expenditure) of approximately \$30,000 per annum.

- Commercial Property

This comprises the Commercial Property Management, Flat Rock Tent Park and Quarries.

The budgeted rental income for investment properties increases \$81,000, or 3.9%.

Income for the Flat Rock Tent Park is forecast to be \$55,000, or 9.8%, higher than the current 2024/25 budgets.

The budgeted interest income is markedly reduced, reflecting the decreases in the forecast property reserve balances.

The 2024/25 and future year income budgets include an estimation of a non-cash fair value adjustment, for \$960,000. For several years there has been a consistent increase in the value of Council's investment properties, which are revalued annually in accordance with Accounting Standards.

For the 2025/26 to 2027/28 years, an estimated gain on disposal of real estate has now been included.

The estimate is based on 10% of the budgeted gross sales incomes for land at Boeing Ave, Russellton Industrial Estate and Wollongbar Residential land sales. This equates to \$1,850,000 for 2025/26, \$750,000 for 2026/27 and \$450,000 for 2027/28.

Within budgeted operating expenses, interest on property loans reduces to \$377,000 for the 2025/26 year, with several loans currently forecast to be paid at the end of 2024/25.

- Ballina – Byron Gateway Airport

Total operating revenue is forecast to increase by \$352,000, or 3.3%.

5.7 General Fund - Long Term Financial Plan

Total operating expenditure is forecast to increase by \$144,000, or 1.7%.

- Community Facilities

Total forecast revenue for 2025/26 is \$58,000, or 6.7%, above the current 2024/25 forecasts.

Forecast expenditure has an overall increase of \$83,000, being a 6.7% increase, with the largest expenditure item being employee costs, offset in part by reductions in budgets for various facilities.

Staff costs associated with cleaning of the various facilities have been transferred to the employee costs budgets.

- Richmond Tweed Regional Library Service

Council is one of four councils that form the Richmond Tweed Regional Library (RTRL) service (Ballina, Byron, Lismore, Tweed).

Under an established Deed of Agreement ('Agreement'), Lismore City Council operate the library service, including the employment of staff, supported by a Senior Leadership Group (staff from across the member councils) and a Library Committee (councillors from the member councils)

The draft 2025/26 budget includes a RTRL contribution of \$1,973,000 representing an increase of only \$11,000, or 0.6% from the 2024/25 budget, following on from large increases the previous two years.

- Swimming Pools

Revenues have been forecast to increase by 2.5%.

Expenditure, excluding interest expense and depreciation expense, has been forecast to increase by less than 1%.

- Tourism

The 2025/26 budgets include additional revenue and expenditure for the Destination Visitor Information Guide. This publication is developed and published every two years and was not produced in 2024/25.

- Facilities Management

The 2025/26 expenditure budgets include increases to the works depot operating expenses of \$52,000, or 17.3% following the addition of the new depot administration building completed in 2025/26.

Capital Expenditure (Attachment 2 – Part C)

The draft budget includes an extensive capital works program with the total works for the General Fund estimated at \$98.9m.

The program reflects the Community Infrastructure - Recurrent Works and Non-Recurrent Works reports earlier in this agenda.

Section 7.11 Contributions and Other Capital Income (Attachment 2 – Part D)

This section provides an overview of capital income movements, with many of those items helping to fund capital expenditure projects.

Loan borrowings planned for 2025/26 are \$1.25m for the Resource Recovery Front of House capital expenditure works.

The forecast for Section 7.11 Contributions is \$5m, with Roads Contributions being \$3.0m of this balance.

Reserve Movements (Attachment 2 – Part E)

This section provides details on the General Fund reserves, including movements to and from those reserves, and the reserve balances. A review of the closing balances section for Part E, provides the estimated closing balances for all the General Fund reserves.

There are generally four main categories of reserve:

- Externally Restricted – This includes Domestic Waste Management, Crown Reserves and Section 7.11 contributions, as all funds held for these items must be held in reserve.
- Business Operations – The surplus funds for programs such as Cemeteries, Flat Rock, Airport, Landfill and Resource Management, Quarries and Plant are held in reserve, with Council taking dividends from some of these reserves.
- Future Planning – Reserves such as Council Elections, Leave Entitlements, Wigmore Arcade, Canal Dredging, Bypasses, Street Cleaning etc are all established to smooth out lumpy expenditure that occurs when payments are required for these services / entitlements.
- Contingency / Deferred Works – Major expenditure areas, such as roads, have funds held to assist with variations that occur in project costs, or where projects have been deferred from one year to the next.

Loan Principal and Interest Repayment Schedule (Attachment 2 – Part F)

This section outlines the loan repayments for the General Fund.

Balance Sheets (Attachment 2 – Part G)

This final section includes the balances sheets for the General, Water and Wastewater Funds, and on a consolidated basis.

Community Consultation Policy

The document will be placed on exhibition for a minimum period of 28 days.

Financial / Risk Considerations

This report focuses on the General Fund budget.

5.7 General Fund - Long Term Financial Plan

Options

The purpose of this report is to provide the draft General Fund budget for 2025/26 onwards, with Councillors having the option to make amendments as required.

Once agreement is reached, Council is required to exhibit the draft documents for public comment.

The recommendation is to endorse the documents for exhibition, subject to any changes arising from this report, or other reports, elsewhere in this agenda.

Council still needs to be looking for savings in the recurrent budget to improve our working capital results for the General Fund in future years.

The draft LTFP highlights the difficulties for Council to achieve a balanced budget based on current income and expenditure levels.

RECOMMENDATION

That Council approves the exhibition of the draft Long Term Financial Plan, as per Attachments 1 and 2 to this report.

Attachment(s)

1. Long Term Financial Plan - Summary - 2025/26 to 2034/24 (Draft) (Under separate cover)
2. Long Term Financial Plan and Budget - Detailed - 2025/26 to 2034/35 (Draft) (Under separate cover)
3. ARIC - Financial Sustainability of the General Fund (including Financial Results Analysis)

5.8 **Community Strategic Plan 2025 - 2035**

Section Communications

Objective To approve the exhibition of the draft Community Strategic Plan 2025 - 2035.

Background

Section 402 of the Local Government Act requires councils to adopt an updated Community Strategic Plan (CSP) by the 30 June following the local government election.

Councils may amend an existing plan or develop and endorse a new plan.

This report presents a renewed CSP for 2025 to 2035 following significant community engagement.

Key Issues

- Compliance with Local Government Act
- Community engagement
- Long term planning.

Discussion

The CSP must:

- Address civic leadership, social, environmental, and economic issues in an integrated manner.
- Align with social justice principles of equity, access, participation, and rights.
- Be informed by relevant data on civic leadership, social, environmental, and economic issues.
- Consider State and regional planning priorities.

The draft CSP must be placed on public exhibition for a period of 28 days and submissions received by the Council must be considered before Council adopts the plan.

The review must be completed by 30 June following the election.

Community Engagement

Council conducted a community engagement process from October 2024 to February 2025, using a range of methods to gather input into this review.

The engagement aimed to understand community priorities, satisfaction levels, and aspirations for the future to ensure the CSP aligns with local needs.

Community engagement was conducted through four methods:

1. Statistically Valid Random Telephone Survey
2. Community Survey
3. Youth Survey
4. Open Engagement included online submissions, a drawing and writing activity for children, and short-answer responses.

The Random Telephone Survey was conducted by Micromex Research from in October 2024, with 502 randomly selected residents to obtain statistically robust insights.

Key findings include:

- 94% rated their quality of life as good or better
- 97% identified the health of waterways as a top priority.

The Community Survey was a copy of the Random Telephone Survey and open to all residents via Council's 'Your Say' platform, from November 2024 to February 2025.

Council received a further 173 responses, with the key findings being:

- high importance and satisfaction with Libraries and Pools
- 98% prioritising the 'health of our waterways'.

The Youth Survey, co-designed with the Advocate for Children and Young People (ACYP), received 381 responses directly from young people and a further 13 responses via our Open Engagement, providing a total of 394 responses. The survey was undertaken from November 2024 to February 2025.

Key findings included:

- 81% of respondents rate living in the Ballina Shire as good or better
- 89% think beaches and foreshores are important.

In addition to the three surveys, Council sought further feedback via a combination of open engagement activities to provide further opportunities for community input.

A short-answer and comment questions were available online and in a face-to-face format.

These questions provided an accessible and straightforward response format to three key questions:

1. What do you love about Ballina Shire?
2. What would make Ballina Shire better?
3. Imagine Ballina Shire in 10 years—what would you like it to be?

A total of 92 written submissions were received via 'YourSayBallina', and at the Lennox Head Community Connections Expo on 8 February 2025.

A children's drawing and writing activity was conducted at the Connected Community Expo, inviting participants to "Write or draw your future Ballina Shire."

A total of 20 submissions were received, with many depicting the outdoor lifestyle, featuring beaches, skate parks, playgrounds, trees, and wildlife.

Some also highlighted sporting and recreational facilities, including soccer fields and the waterslide.

Council staff invited 121 community groups, sporting clubs, and schools to participate in the long-format community survey and/or respond to the three short-answer and comment questions.

In addition to the completion of community survey and short-answer questions, three written submissions were received from the Ballina Environmental Social (plus one member submission) and Heritage Advisory Ballina.

Both groups highlighted key concerns within their areas of interest, advocating for stronger commitments in environmental protection and heritage preservation.

With 1,181 submissions received across all engagement activities, each of these engagement formats provides an opportunity to build a comprehensive picture of the needs and desires of the Ballina Shire community.

Surveys indicated strong overall satisfaction with living in Ballina Shire, though younger residents reported lower satisfaction.

Generally, there are increasing expectations concerning the delivery of Council services and facilities, and small declines with satisfaction of Council's performance, particularly within the cohort of the Community Survey responses.

Many issues were common to all, with some particularly clear concerns across all engagement channels:

- Cost and availability of housing, and how future development or growth will be managed from an environmental or lifestyle/ character perspective.
- The importance of beaches and waterways, including their condition, accessibility and facilities that enable their enjoyment.
- Infrastructure to meet existing and future populations, from basic needs such as transport networks, water and sewer services, through to those that provide for community wellbeing, such as recreational, sporting and cultural assets.

Within the telephone and community surveys, there was broad agreement that the health of the shire's waterways is a top priority and requires more investment.

Lobbying State and Federal governments and community safety and disaster planning were also seen as important investment areas.

However, differences did emerge between each engagement cohort including:

Random telephone survey participants:

- Generally, have stronger feelings towards day-to-day issues, such as quality of roads, cost of living, waste collection, parking or personal economic outcomes (e.g. rates)
- Are less concerned about niche or 'nice to have' outcomes, such as cultural and sporting facilities or the quality of town centres, and
- May have little contact with Council staff or Councillors.

Community survey and open engagement participants:

- Tend to have a greater interest in local community and environmental outcomes rather than financial ones
- Are more likely to desire improvements to areas that benefit lifestyle, such as cultural facilities or town centre improvements, and less likely to seek funding for areas such as business improvement programs or tourism promotion, and
- Are likely to have more contact with Council staff or Councillors.

Youth survey participants:

- Have concerns around access and affordability barriers, including day to day cost of living through to housing
- Like many in the broader community, can often feel unsafe, and face their own personal pressures, and
- Often feel unheard and without opportunities to express themselves due to a lack of facilities, activities and spaces where they feel safe and empowered.

Each of these views and considerations remains relevant to the development of the Community Strategic Plan and balancing the variety of issues and opportunities is important to effectively representing what has been heard.

In bringing together these views, nine key community priority areas have been identified, as follows.

1. Balance housing and population growth

Recognise the tension between the desire to retain existing character and scale with future growth that is sustainable and suitably located.

This includes opportunities to ensure housing is affordable and available now and into the future, whilst working within the State's restrictive land use planning framework.

2. Demonstrate leadership and communication

Many factors are outside Council's direct control. But Council and the community have opportunities to lead, lobby and work with all levels of government, business and not-for-profits to achieve results.

This includes recognising the changing trends in how Council communicates with the community.

3. Improve community recreational infrastructure

An active community, with facilities for young through to old, will be supported through efficient and effective infrastructure opportunities to improve community health and wellbeing.

This includes foot and cycle paths to connect places and spaces, parks, playgrounds, sporting facilities and foreshore areas that meet diverse recreational needs.

4. Enhance waterways and recognise their risks

With 98% of surveyed residents identifying waterway health as a priority, the CSP strengthens commitments to water quality, flood management, and ecosystem restoration.

Waterways are central to the Shire and highly valued by the community. Enhancing water quality with effective drainage and flood management will help to integrate waterways into everyday lives, whilst continuing to recognise and plan for risks associated with flooding and the need for ongoing recovery from past events.

5. Protect the environment and live sustainably

Preserve our highly valued environment, minimising our impacts and living sustainably whilst adapting to a changing climate.

This includes retention of important habitat, planting of trees whilst managing our impacts on the land, minimising our waste and sustainably sourcing our energy needs.

6. Encourage vibrant foreshores and town centres

Focus on the natural and community asset that is the foreshore, alongside improving town centre precincts, that are highly valued by the community.

Building an identity around our natural assets whilst creating strong local businesses, greater retail diversity and nightlife to harness natural assets with great places to be.

7. Connect and support all communities

Respond to community values for a friendly, close and supportive community, where connection exists across both people and place.

The community will support each other through difficult times, retaining bonds between our young people, our older generation, First Nations people, and those living with a disability.

8. Enhance community safety

Work with State Government and other community sector partners to help address the underlying causes of crime and barriers to a safe community.

Together we can work to build a community that feels safer, stronger, more respected and engaged across all age groups and community sectors.

9. Provide safe and effective transportation networks

Provide and maintain safe and suitable roads and connections that enable physical community connectedness.

From advocacy for key State projects, to addressing localised safety concerns and efficiencies, some improvements can be targeted across the road network, public transportation and parking opportunities.

To respond to these priorities, minor changes are recommended to the CSP directions and strategies, which are outlined below.

A detailed report on the results of the community engagement is included as Attachment 1.

The draft CSP is included as Attachment 2.

Changes from CSP 2032 to CSP 2035

Council has received feedback on the community priorities, directions outcomes that underpin the CSP. This was also discussed at a Councillor briefing on 3 March 2025.

Based on the community engagement process, the draft CSP includes a revised Councillor introduction, a community vision (page 13), an updated shire profile (pages 8 to 11), and a clearer articulation of Council's role in delivering community priorities.

It highlights Council's sphere of influence, emphasising its role in providing essential services, collaborating with partners, and advocating for community needs.

While Council directly manages many local services, some priorities require partnerships, and others fall under state or federal responsibility, reinforcing that this is a whole-of-community document, not solely Council's responsibility.

The draft CSP also incorporates engagement outcomes (page 14 and 15), changes from 2022 to 2025 (page 17), and examines challenges, external influences, strengths, and opportunities.

It includes reordered directions to align with community priorities (page 16), revised direction statements, and adjustments to outcomes and action wording in the tables that follow:

Community Vision

A Community Vision has been added (page 13) to reflect the outcomes of the community engagement. Note that the community vision is different to the Ballina Shire Council vision and values, and is as follows:

Ballina Shire is a connected, sustainable, and thriving community where growth is balanced with protecting our environment, enhancing livability, and supporting a strong local economy.

Proposed changes to Directions

The four directions in the current CSP 2032 are:

1. Connected Community
2. Prosperous Economy
3. Engaged Leadership
4. Healthy Environment.

To respond to the community engagement and nine identified community priorities, proposed changes to direction statements are detailed from page 19 through to 30.

Healthy Environment - Proposed Statement (page 19)

The health and preservation of our natural environment was a strong recurring theme from our community engagement.

We want to continue to find a balance between development and the environment to ensure we preserve what people love so much about living in the Ballina Shire.

We want to restore and repair our waterways and areas that have been degraded to maintain aquatic and native wildlife.

We understand the importance of preserving, enhancing and having access to nature areas.

We want our built environment to meet our needs but not at the expense of our natural environment or the people who live and work here.

Engaged Leadership – Proposed Statement (page 22)

During our community engagement people told us they want to have confidence and trust in their leaders, and they want Council to take a more active role in advocating for its needs.

They also want a genuine partnership with Council where their voices are heard and their opinions respected.

Our community wants resources to be used efficiently and responsibly. People want Council to act locally but to also work effectively and collaboratively with other levels of government, private sector organisations and community groups to drive economic and social prosperity.

Connected Community – Proposed Statement (page 25)

People told us they want to feel connected to a community which is friendly inclusive and tolerant of all ages and cultures.

We want to feel safe and supported. We want to live in an area that has a relaxed and active lifestyle, where we know our neighbours, and where people are welcoming. From the young to the old, no matter the wealth or background, the needs of all residents are treated with respect and dignity.

Livable and Prosperous Economy – Proposed Statement (page 28):

People told us they want a vibrant and diverse local area that provides for, and has access to, a range of activities, jobs and opportunities for people of all ages.

Importantly, we want to ensure there are vibrant town centres that contain a diverse range of retail and night-time activities that are interesting and provide ongoing job opportunities. These central areas can also be supported by attractive foreshores. We want these to be sustainably enjoyed by all, from recreational use to low-scale improvements that help celebrate these key assets.

We want all these facilities to be easily accessible via safe transport networks. They are then attractive to innovative and progressive businesses and people that will ensure our villages and towns continue to thrive and prosper.

To answer the key question in the Community Strategic Plan, “how will we know when we’ve arrived?”, community indicators are provided (from pages 32 to 40) which are grouped under one of the nine community priorities. Council staff will report back to the Council in the form of the State of the Ballina Shire Report following the next election in 2028.

If endorsed, these changes that have been outlined in this report will be reflected in the Delivery Program and Operational Plan 2025/26 – 2028/29, ensuring consistency across Council’s Integrated Planning and Reporting (IP&R) documents.

Delivery Program Strategy / Operational Plan Activity

The CSP is the highest level-planning document for Council’s Integrated Planning and Reporting Framework (IP&R). It is a broad, high level strategic document. The CSP informs the Delivery Program and Operational Plan.

Community Engagement Strategy

A key aspect of the CSP renewal was engaging with the community. Council reviewed and updated the Community Engagement Strategy (CES) in December 2024, establishing the level, standard, and methods of engagement to guide the process.

Community engagement took place from October 2024 to February 2025 and included:

- Random Telephone Survey
- Community Survey

5.8 Community Strategic Plan 2025 - 2035

- Youth Survey
- Open Engagement – online submissions, a drawing and writing activity for children, and short-answer responses.

The engagement was promoted through print and social media, e-newsletters, direct mail, and rates notices, resulting in 1,181 submissions. A detailed community engagement report is included as Attachment 1.

Financial / Risk Considerations

Council will satisfy its compliance obligations by completing the review of the Community Strategic Plan 2035 by 30 June 2025.

Options

The CSP forms part of the Integrated Planning and Reporting documents.

The options are to approve the exhibition of the document or to amend the document prior to exhibition/

Based on the significant community consultation undertaken to date, the recommendation is to approve the exhibition of the draft CSP 2035 to seek community feedback.

RECOMMENDATION

That Council approves the exhibition of the draft Community Strategic Plan 2035, as per Attachment 2 to this report.

Attachment(s)

1. Draft Community Strategic Plan - Engagement Report
2. Draft Community Strategic Plan 2025 - 2035

5.9 Workforce Management Plan - 2025 to 2029 and Organisation Structure

5.9 Workforce Management Plan - 2025 to 2029 and Organisation Structure

Section People and Culture

Objective To obtain approval to exhibit the draft Workforce Management Plan for 2025 - 2029 and to review the organisation structure.

Background

The Integrated Planning and Reporting (IP&R) framework requires councils to have a resourcing strategy, which consists of the Long-Term Financial Plan (LTFP), the Strategic Asset Management Plan and the Workforce Management Plan.

The Workforce Management Plan outlines the human resourcing requirements of Council's Delivery Program and Operational Plan.

This report reviews the draft Workforce Management Plan for 2025 to 2029, which is included as Attachment 1.

This report also seeks to review the organisation structure.

The Local Government Act (LGA) outlines the functions of the general manager of a council, who is responsible for the appointment, direction and dismissal of staff, i.e.

- (h) to appoint staff in accordance with the organisation structure determined under this Chapter and the resources approved by the council*
- (i) to direct and dismiss staff*
- (j) to implement the council's workforce management strategy.*

Although the general manager employs the staff, the elected council is responsible for determining the organisation structure.

This is outlined in section 332 of the LGA, which states, as follows:

- (1) A council must, after consulting the general manager, determine the resources to be allocated towards the employment of staff.*
- (1A) The general manager must, after consulting the council, determine the positions within the organisation structure of the council.*
- (1B) The positions within the organisation structure of the council are to be determined so as to give effect to the priorities set out in the strategic plans (including the community strategic plan) and delivery program of the council.*

In addition, Section 333 of the LGA states as follows:

Re-determination of structure

5.9 Workforce Management Plan - 2025 to 2029 and Organisation Structure

The organisation structure may be re-determined under this Part from time to time. The council must review, and may re-determine, the organisation structure within 12 months after any ordinary election of the council.

With the Council election held in September 2024, Council must review the organisation structure by September 2025.

This report provides the opportunity for that review.

Key Issues

- Human resource strategies
- Customer service and program delivery
- Effective organisation structure

Discussion

Workforce Management Plan

The draft Workforce Management Plan provides an overview of Council's organisation structure and workforce, along with a summary of the actions to be implemented, to ensure that Council has a contemporary work force to deliver actions from the Community Strategic Plan, Delivery Program and Operational Plan.

With the impacts of staff shortages and resourcing, an ageing workforce, cost of living factors and a highly competitive employment market, many areas of the organisation are facing resourcing challenges and high workloads.

Casual resources, or contractors, are engaged to assist with peaks and projects, however it is important to employ permanent staff where there is an identified ongoing resource need, and recurrent funding available, as this helps with a more consistent level of service delivery and supports the financial stability of employees.

Council has also recently been successful in securing funding for up to 15 trainees and apprentices through the State Government's Fresh Start for Local Government Apprentices, Trainees, and Cadets Grant Program. The positions approved are as follows:

- Building Inspector Trainee
- Trainee Arborist
- IT Support Officer
- Water and Wastewater Treatment Plant Operator
- Airport Facilities Officer
- Waste Management Officer
- Construction Officer / Plant Operator x 3
- Welder/Metal Fabrication (Metal Casting Trades Worker)
- Carpenter Apprentice
- Apprentice Electrician
- Environmental Health Officer Cadet
- Accountant Cadet
- Cadet Lawyer

5.9 Workforce Management Plan - 2025 to 2029 and Organisation Structure

This means there will be 43 trainees and apprentices working for Council, subject to successful recruitment and retention, with Council potentially securing more funded positions in round two of this program.

Several positions proposed in this report relate to permanent career paths for trainees and apprentices.

The difficulty is that Council then needs to fund the permanent roles, once a funded, or part funded, traineeship / apprenticeship ends, which is not always possible.

Currently 61% of Council's workforce is over 45 years old. Investing in the ongoing recruitment of Apprentices and Trainees, including progression of roles upon completion of studies, is a critical requirement to ensure a future pipeline of candidates.

The Draft Workforce Management Plan 2025 to 2029 is included as Attachment 1.

The Workforce Gaps Appendix in the Plan is a summary of the additional resources sought by Directors and Section Managers to ensure that adequate services are delivered to the community, along with confirming which positions have been included in the draft LTFP.

A summary of positions funded, or not funded, for 2025/26 onwards is included in the Workforce Gaps, with more detailed information as follows.

Civil Services Division

Asset Management and Resource Recovery

- *Weighbridge Customer Service Officer* – the role will provide customer service and administrative support for Council's waste management operations.

This additional position is required when the second weighbridge is installed at the Resource Recovery Centre, planned for completion towards the end of 2025/26. This will decrease the weighbridge queue/wait time for customers and improve traffic flow at the Resource Recovery Centre.

Funding for the position is included in the LTFP.

- *Weighbridge and Waste Officer* – the role will provide customer service and administrative support to improve waste management operations and performs various tasks to ensure the efficient delivery of waste services.

This additional position is required when the second weighbridge is installed at the Resource Recovery Centre, planned for completion towards the end of 2025/26. This will decrease the weighbridge customer wait times and improve traffic flow at the Resource Recovery Centre.

Funding for this position is included in the LTFP.

- *Emergency Management Resilience Officer* - the role will develop and implement strategies to build social cohesion through community-led

5.9 Workforce Management Plan - 2025 to 2029 and Organisation Structure

resilience to emergencies and natural disasters within the Ballina Local Government Area, actively working with communities and support partners during all stages of the emergency management cycle.

The position is currently funded until August 2025. There is no forward funding for this role in the LTFP and operational savings will need to be made to finance the role.

Engineering Works

- *Floodplain Engineer x 2* – these two roles will guide Council in understanding and managing flood risks across the Shire.

This includes implementing and monitoring Council's flood plain management program, including providing sound knowledge of floodplain assessment and the ability to utilise and understand computer-based modelling programs to analyse flood impacts.

There is no forward funding for these roles in in the LTFP.

Currently Council expends significant monies on consultants, allocated to projects, and it may be possible to look at funding options based on the forward works plan for floodplain management. The roles will only be engaged if there are sustainable operational budgets in place to fund the roles.

- *Civil Plumber* – the role will assist with the construction and maintenance of water, sewer, and stormwater infrastructure by preparing work areas, coordinating resources, and ensuring work aligns with plans and specifications.

Responsibilities include installing, repairing, and maintaining pipes and related infrastructure, interpreting technical drawings, using specialised equipment for excavation and installation, and troubleshooting issues within existing pipe networks.

This role is charged to operational budgets and employment will depend on sufficient funds being available in the operating budgets for this section.

- *Administration support* – the role will provide high-level administrative support for Engineering Works operations while delivering customer service to both internal and external stakeholders.

This role will be funded from the Fresh Start for Local Government Apprentices, Trainees, and Cadets Grant Program, subject to a successful grant application.

- *Plant Operator – Water Cart* - the role will operate and maintain a watercart for dust suppression, ensuring safe and efficient site operations for the Road Maintenance Team.

Approximately eight years ago, Council purchased two water carts and employed additional staff to operate that machinery based on an analysis that direct employment was more cost effective than external hire.

5.9 Workforce Management Plan - 2025 to 2029 and Organisation Structure

Based on the current level of contracting, there is now an opportunity to engage another operator to ensure that all three Engineering Works Teams have a dedicated in-house water cart.

This role is charged to operational budgets and employment will depend on there being sufficient funds in the operating budgets, along with sufficient capital funds for the purchase of a water cart.

Infrastructure Planning

- *Civil Designer Cadet* – the role will provide in-house design support to enhance the works program and benefit the community.

This includes assisting in developing concept design drawings for civil construction projects, including roads, drainage systems, community facilities, and open space infrastructure.

The Cadet role will support succession planning by developing future talent, filling skills gaps, and ensuring knowledge transfer from experienced staff.

This role will be funded from the Fresh Start for Local Government Apprentices, Trainees, and Cadets Grant Program, subject to a successful grant application.

- *Design Engineer* – the role will deliver quality engineering, drafting, and design services, including the investigation, design, and preparation of construction plans for civil infrastructure projects in line with Council's Delivery Program and Operational Plan.

Provide strategic engineering design advice and assistance, maintain information databases and systems for asset and project management, and offer professional engineering support and advice.

There is no forward funding for this role in the LTFP.

Project Management Office

- *Site Surveillance Officer* – the role will involve reviewing designs, specifications, and workshop drawings while ensuring contractors comply with Transport for NSW policies and quality standards.

This role is required to meet the quality monitoring requirements of the Bridge Duplication contract.

This role can be funded by direct charging to the capital budgets for the Bridge Duplication contract.

Water and Wastewater

- *Senior Water and Wastewater Treatment Plant (WWTP) Operator x 3* – the proposed three senior operator roles will have expanded responsibilities including the supervision of staff.

5.9 Workforce Management Plan - 2025 to 2029 and Organisation Structure

The three roles enable a dedicated team to be responsible for the Ballina WWTP, Lennox Head WWTP and Alstonville and Wardell WWTP's operations.

This change will provide a clearer progression pathway for staff in these teams from Trainee to Operator and Senior Operator.

These roles are funded through the operational budgets for the Wastewater Treatment Plants.

Successful internal applicants may result in a reduction in existing positions.

- *Network Investigations Officer* – this role will support by researching and investigating water and wastewater reticulation networks to ensure efficient operation, effective inspection and maintenance programs, minimised water loss and sewer infiltration, and the development of forward works programs for infrastructure renewal.

This role can be funded by direct charging to operational budgets and should generate cost savings through reduced water loss and sewer infiltration.

- *Fitter x 2* – these roles will carry out maintenance and repair to Council's treatment plants, water and wastewater infrastructure and a variety of other plant and machinery items.

The roles will improve the reliability and performance of infrastructure required for our water and sewer operations by increasing resources allocated to the delivery of maintenance programs and activities.

Water and Wastewater is behind in respect to regular maintenance programs, and this then results in increased costs and inefficiencies from break downs

The roles can be charged to operational budgets and employment will depend on there being sufficient funds in the operating budgets, albeit the positions should generate savings in maintenance costs.

- *Trainee* - to carry out maintenance and repair to Council's treatment plants, water and wastewater infrastructure and a variety of other plant and machinery items.

This role will be funded from the Fresh Start for Local Government Apprentices, Trainees, and Cadets Grant Program, subject to a successful grant application.

Corporate and Community Division

People and Culture

- *WHS Trainee* – this role will support the expanding WHS program of work.

This includes supporting with WHS Committee meetings, reviewing WHS policies and procedures, research and improvement initiatives, emergency

5.9 Workforce Management Plan - 2025 to 2029 and Organisation Structure

preparedness, incident reporting, workflow management and system maintenance.

This role will be funded from the Fresh Start for Local Government Apprentices, Trainees, and Cadets Grant Program, subject to a successful grant application.

- *Business Administration Trainee* – this role will assist with maintaining Section registers, updating employee records and corporate systems and managing internal and external enquiries.

The role will also support with events and administrative tasks, including workplace change, staff recognition, recruitment, onboarding, training, workplace health and safety, performance appraisals, payroll and procedure updates.

This role will be funded from the Fresh Start for Local Government Apprentices, Trainees, and Cadets Grant Program, subject to a successful grant application.

- *Payroll Officer* – this role will support the fortnightly payroll cycle, by reviewing and keying entries, Superannuation, Payroll Tax, Workers Compensation claims, Executive Team Reporting, EOFY reporting.

Increasing the role by an additional 21 hours per week will provide an additional resource to support this essential function.

This role is to be funded through a reduction in hours from other position changes and small operational budget savings.

Communications and Customer Service

- *Trainee Customer Service Officer* - this role will support general customer enquiries and transactions, process payments, receipts, and invoices, and assist with document preparation, scanning, and filing.

They will monitor and distribute incoming emails, maintain databases and records for customer service operations, and learn to process development applications, animal registrations, and change of address requests. The role will also involve assisting ratepayers with council-related forms and information.

This role will be funded from the Fresh Start for Local Government Apprentices, Trainees, and Cadets Grant Program, subject to a successful grant application.

- *Trainee Community Facilities* – the role will help maintain community facilities through cleaning, reporting attending to maintenance issues, managing bookings, and supporting events. It also provides hands-on experience in administration, compliance and workplace health and safety.

This role will be funded from the Fresh Start for Local Government Apprentices, Trainees, and Cadets Grant Program, subject to a successful grant application.

Facilities and Services

- *Apprentice Heavy Duty Plant Mechanic* – Heavy Duty Plant Mechanics continue to be difficult to recruit. This position is responsible for supporting Council's Workshop team in the maintenance, servicing and repair of Council's heavy vehicles, and other plant and machinery items.

This role will be funded from the Fresh Start for Local Government Apprentices, Trainees, and Cadets Grant Program, subject to a successful grant application.

- *Heavy Duty Plant Mechanic* – this role will provide a high level of assistance to Council's Workshop team in the maintenance, servicing and repair of Council's heavy vehicles, and other plant and machinery items. This additional position will create a pathway for current Apprentices, subject to there being sufficient funding in the operational budgets.
- *Welder / Metal Fabricator* – this role will assist with designing and constructing metal fabrications, as well as maintaining and repairing plant and machinery. This additional position will create a pathway for current Apprentices, subject to there being sufficient funding in the operational budgets, and the removal of the successful Apprentice's existing role.
- *Electrician* – this role is responsible for maintaining, repairing, and constructing Council's electrical assets, including inspections and ensuring compliance with WHS and insurance requirements.

This additional position will create a pathway for current Apprentices, subject to there being sufficient funding in the operational budgets, and the removal of the successful Apprentice's existing role.

Financial Services

- *Graduate Accountant* – this role will support the Finance Team with maintaining Council's General Ledger including reconciliations, assisting with the effective management of annual and quarterly budget reviews, assisting with updates to Councils long term financial plan documents and associated IPR documents, preparation of note disclosures within the annual financial reports and other reconciliation, functions and responsibilities as required within the finance team.

This additional position will create a pathway for the current Cadet role, which is funded from the Fresh Start for Local Government Apprentices, Trainees, and Cadets Grant Program. There is no funding for this role in the LTFP.

Information Services

- *Geospatial Analyst* – this role will support with maintaining and managing Council's spatial and a-spatial databases, ensuring data integrity and system functionality. This includes assisting in coordinating data capture efforts using various technologies and delivering staff training on the effective use of Council's Geospatial system as needed.

5.9 Workforce Management Plan - 2025 to 2029 and Organisation Structure

This role is directly allocated to the Water and Wastewater Section to focus on water and wastewater infrastructure. The position has been trialled and is now recommended for permanent appointment. There is funding in the LTFP for this role.

Planning and Environmental Health Division

Development Services

- *Plumbing and Drainage Officer* – this role will support with the assessment of S68 applications, plumbing and drainage inspections, assessment of On-Site Sewage Management (OSSM) applications and reports, dual water audit program as well as checking and issuing sewer diagrams. In addition, the role will support with responding to general enquiries and CRM matters. The role will contribute to improving Council's DA assessment times and the quality of development outcomes for the Shire.

Council has been engaging casual resources for this service, and the position will be transferred to a permanent role, subject to there being sufficient operational budgets.

- *Development Assessment Officer* - this role will provide development assessment services to meet statutory and community needs, including inspections, application assessments, and determinations, investigate community complaints, and perform other duties as required.

The role is crucial for keeping pace with the Shire's growth and increasing demands while also building a pipeline of talent to address ongoing significant challenges in recruiting for senior positions. This is submitted to forecast future resource requests in 2026.

- *Development Assessment Cadetship* – this role will provide support in the provision of development assessment and compliance services to meet statutory and community needs. This includes assisting with investigations of complaints by the community on development related matters. This is submitted to forecast future resource requests in 2026.

Open Spaces

- *Team Leader* – the position was included in the previous workforce management plan and is in response to the expanding open space asset base and increasing community demand and expectation associated with urban area amenity.

This position is funded from existing operational budgets for the Open Spaces Section.

Health and Environment

- *Graduate Environmental Health Officer* – The role involves investigating and responding to environmental complaints related to air, water, noise, and land pollution, as well as conducting inspections of swimming pools, food businesses, and skin penetration premises.

5.9 Workforce Management Plan - 2025 to 2029 and Organisation Structure

Responsibilities include water and soil sampling, community education on health and environmental protection, and supporting enforcement actions through reporting, evidence collection, and court preparations. Additionally, the role requires handling enquiries, investigating complaints, and performing other duties as assigned.

This position will assist with succession planning and will provide a progression point for the Environmental Health Cadet role at the end of the grant funded cadetship period.

There is no funding for this role in the LTFP.

- *Environmental Health Officer* – this role will provide professional support and technical expertise to administer Council's environmental health, regulatory, and enforcement functions, ensuring compliance with statutory requirements and meeting community needs. This position will support an existing position transitioning to retirement.

There is no funding for this role in the LTFP, however a part-time resource may be employed based on salary savings as part of the transition to retirement of an existing staff member.

Strategic Planning

- *Graduate Strategic Planner* – the role will support strategic and environmental planning by assisting with land use assessments, policy administration, data analysis, and research.

Responsibilities will include contributing to planning instruments, policies, and strategies, facilitating community engagement, assessing development applications, and providing duty planner services, along with other tasks as required. This Graduate position will provide a progression point for the existing Trainee upon completion of their studies.

There is no funding for this role in the LTFP.

- *Creative Programs Producer* – An extra seven hours per week will be added to this role to oversee the launch and management of the ceramics studio and kiln firing services, including administration, bookings, WHS requirements and studio operations.

Additionally, it will expand marketing efforts in, collaboration with the Gallery team, and support the development of public programs, partnerships, and funding opportunities to enhance future staffing and program growth.

The extra hours will be funded through the reallocation of existing operational budgets.

Council Resolutions

During 2024/25, Council has adopted two resolutions in respect to the employment of additional staff resources.

5.9 Workforce Management Plan - 2025 to 2029 and Organisation Structure

Part Resolution 121224/12 - That Council consider the employment of a Youth Development Officer as part of the preparation of the annual Delivery Program and Operational Plan.

Traditionally Council has relied on the State Government to provide youth services and an expansion in Council's service provision into this area needs to ensure that adequate funding for the salary component, as well as the activities component, is provided in the LTFP.

The activities component is important in that ideally a Youth Development Officer would have a facility to operate from to provide youth-based programs.

The concept of redesigning the Kentwell Centre has been discussed, as this building, which was originally built to provide community-based services, and is currently largely leased to service providers, could potentially operate as a base to deliver youth-based programs.

There is an action in the current Delivery Program to Undertake a Master Planning Process for Treelands Reserve and the Kentwell Centre and this process will examine the type of services that are best delivered from the Kentwell Centre, along with a possible expansion of the Centre.

The outcomes from this action should assist in determining whether Council works towards redesigning this building to assist with providing youth services, either by Council or another organisation.

If this was an agreed outcome, the difficulty for Council would then be in funding the redesign of the building, along with allocating recurrent funding for this service expansion. Council's limited rate base restricts the funding available for more discretionary services.

Council also leases a building in Wigmore Park, Ballina, previously referred to as the "B" Space, to Social Futures Limited, with that building now providing headspace services, which is focused on adolescent mental health.

Prior to the headspace service, several youth-based programs were being delivered, however the building is operating now more as an office space for psychologists and counselling related programs.

The building is not well designed for youth services, particularly based on contemporary standards.

The importance of the need for Youth Services is highlighted in the report in this agenda on the Community Strategic Plan, where the Locale Consulting Engagement Report (pages 20 and 21) states as follows:

The six areas of lowest satisfaction in the community survey, with a mean of below 2.5, were:

- *Affordable housing*
- *Crime prevention and law and order initiatives*
- *Youth services*
- *Overall health of the Richmond River*
- *Drainage/flood management, and*
- *Management of development as the population grows.*

5.9 Workforce Management Plan - 2025 to 2029 and Organisation Structure

Compared with the telephone survey, this list was generally consistent, though 'Festival and event management' has been replaced by 'Youth services'.

These results refer to the 2024 Micromex Community Satisfaction Survey, with Youth Services showing the lowest levels of satisfaction after Affordable Housing and Crime Prevention.

As with Affordable Housing and Crime Prevention, Youth Services is not an area that Council can address in isolation and State Government support is needed.

The other two parts of resolution 121224/12 related to the establishment of a youth forum, with that forum to be held annually for an initial period of three years.

With Council's recurrent General Fund budget already operating with a high working capital deficit, rather than allocating funding to a new position immediately, the preference is to commence conducting the Youth Forums and seek feedback from the participants on how Council could address the current lower levels of satisfaction with Youth Services.

The first forum is scheduled for Tuesday 13 May 2025. Feedback from this forum and future forums will then allow Council to determine whether the direct provision of Council initiated Youth Services, or the employment of a Youth Development Officer, who is providing those services, is the preferred approach, or whether there are better solutions.

Part Resolution 270225/24 - That Council consider the employment of an economic development officer as part of the preparation of the 2025/26 to 20228/29 Delivery Program and the 2025/2026 Operational Plan.

Many councils employ an Economic Development Officer, or have an Economic Development Unit, that oversees or implements economic development programs on behalf of the Council and the community.

Council did have this role in the organisation structure in the early 2000s for several years.

The difficulty in employing an Economic Development Officer is that the role also requires funding for programs, and often additional administrative support, meaning that the recurrent funding allocated needs to range from \$150,000 to \$250,000 as a minimum to ensure the role is effective.

The importance of this role also needs to be measured against all the other priorities outlined in this report, with Council's economic indicators, such as unemployment and gross regional product, performing well compared to other regional councils and councils in this region.

Council also has an adopted Economic Development Strategy, which is available as per the following link.

[Economic Development | Ballina Shire Council](#)

Many of the actions in that document focus on the broad range of services delivered by Council, both operationally and through capital works delivery.

5.9 Workforce Management Plan - 2025 to 2029 and Organisation Structure

Operationally, all employees and the entire organisation has a role to play in economic development.

Council has concentrated on delivering efficient and affordable services, opportunities for business through land development, vibrant town centres through ongoing investment in main street beautifications, and the operation of major commercial operations such as the Ballina – Byron Gateway Airport, to provide a strong economic foundation for the community.

With Council's General Fund already operating with a high working capital deficit, the opportunities for non-discretionary services such as an Economic Development Officer, or Economic Development Unit, are not feasible, unless there is a significant reduction in existing Council services.

Supported Employment Program

Since 2003, Council has had a supported employment program in place to operate Council's Nursey.

This program provides employment for people with a disability aged between 18 to 65 years of age.

The employees have a permanent disability with low to medium support needs and receive National Disability Insurance Scheme (NDIS) funding.

Recently, based on recommendations from the Federal Government's Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability, organisations have been examining how workers on these programs are remunerated, and whether changes should be made.

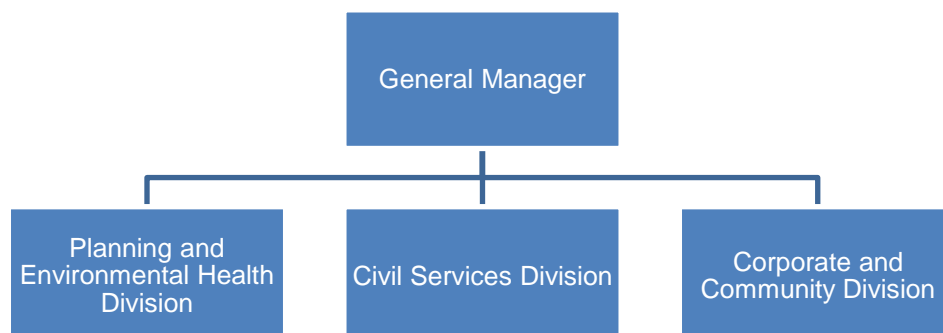
To clarify how this applies to Council's Supported Employment Program, a confidential memorandum is included as per Attachment 2 to this report.

The memorandum provides confidential employment information to outline the key requirements in respect to managing these programs.

If Council wishes to discuss this memorandum, it is recommended that Council resolve into confidential session, as the information relates to personnel matters (Section 10A(2)(c) of the Local Government Act).

Organisation Structure

The current organisation structure was adopted by Council at the July 2022 Ordinary meeting, as follows.



5.9 Workforce Management Plan - 2025 to 2029 and Organisation Structure

In 2022, Council confirmed that the senior staff positions within the adopted structure, as required by Section 332 (1) and (2) of the LGA, were as follows:

- General Manager
- Director – Planning and Environmental Health
- Director – Civil Services
- Director – Corporate and Community

Senior staff, excluding the General Manager, are contract positions paid above a minimum threshold.

From 1 September 2024, references to senior staff positions have been removed from the LGA and permanent staff, other than the General Manager, can no longer be placed on the standard performance-based contract provided by the Office of Local Government.

This means that all council senior staff, excluding the General Manager position, are now transitioning to Award based positions.

This change to the LGA was a recommendation from the Independent Commission Against Corruption (ICAC) investigation into the former Canterbury City Council.

The investigation related to councillors threatening the dismissal of Council's General Manager unless he dismissed the Director of City Planning (such as by terminating or not renewing the Director's contract of employment) and appoint another person, chosen by the councillors.

A link to that investigation can be found here:

[Canterbury City Council - allegations concerning former councillors and other public officials \(Operation Dasha\) - Independent Commission Against Corruption \(nsw.gov.au\)](https://www.nsw.gov.au/canterbury-city-council-allegations-concerning-former-councillors-and-other-public-officials-operation-dasha-independent-commission-against-corruption)

This means that Council no longer needs to determine senior positions.

In respect to the current organisation structure, the major objectives of the structure are to:

- Ensure the Council's planning functions (strategic planning, development assessment, health and environment, compliance etc) are within the one Division.

The previous structure had the strategic planning and development assessment sections in different divisions, at arm's length, however that can, at times, result in some internal tensions in respect to certain strategic planning outcomes that may be difficult to practically implement.

Under this structure the one Director can identify the preferred recommendation prior to reporting to Council. It also ensures that staff with similar technical qualifications and experience are in the one Division.

5.9 Workforce Management Plan - 2025 to 2029 and Organisation Structure

- Ensure there is a more reasonable spread of resources across the three divisions. Prior to 2018 all the field-based staff were within the one Division (Civil Services).

With Council having over 200 field-based staff there was an imbalance in workload and resources across the organisation.

Integrating field and office-based staff within Divisions helps to break down barriers that can sometimes exist within a council, which in turn can improve communication right across the entire council.

- The Civil Services Division has a major focus on project delivery and asset maintenance, with the main infrastructure areas of Engineering Works (roads, stormwater etc) and Water and Wastewater.
- The Corporate and Community Division brings together all the corporate and commercial functions, as well as a range of community services such as Community Facilities, Customer Service, Communication and Tourism.

The organisation structure, inclusive of the major sections / functions within Council, is as follows.

Organisation Divisions and Sections

Planning and Environmental Health Division	Civil Services Division	Corporate and Community Division
Strategic Planning	Engineering Works	Communications and Customer Service
Development Assessment	Water and Wastewater	Financial Services
Health and Environment	Infrastructure Planning	People and Culture
Open Spaces	Project Management Office	Commercial Services
	Asset Management and Resource Recovery	Facilities Management
		Information Services

Community Engagement Strategy

The preparation of the Workforce Management Plan involves consultation across the organisation along with a review of our service delivery. The draft Workforce Plan will be placed on public exhibition for public comment.

The organisation structure is not required to be exhibited for public comment. Any changes to existing staff positions are subject to Local Government Award consultation and notification requirements.

Financial / Risk Considerations

The positions identified as funded in the Workforce Management Plan are included in the draft LTFP.

5.9 Workforce Management Plan - 2025 to 2029 and Organisation Structure

The qualifier is that the financial forecast for 2025/26 is a working capital and operating deficit, therefore savings still need to be made across Council's operations, in the short to medium term, to improve financial sustainability.

Demand for Council services always outweigh the funding and resources available, and the positions funded in the draft LTFP are core services to support the delivery of essential Council services to the community.

Options

The Workforce Management Plan forms part of the Integrated Planning and Reporting suite of documents.

The options relating to the Workforce Management Plan are to approve the exhibition of the document or amend it.

It is recommended that Council approve the exhibition of the document.

In relation to the confidential memorandum on Council's Supported Employment Program, the recommended option is to continue the existing program, with plans in place to transition to a full employment model by 2034, as recommended by the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability.

In respect to the organisation structure, there are two options available:

1. Undertake a review of the organisation structure, which would involve the appointment of an external consultant.
2. Retain the current structure.

The last review of the organisation structure by an external consultant was in 2013. The recommendations in that review have been implemented, with some superseded by further changes to the structure.

There are several specialist consultants who provide this service to councils. The cost of a consultancy can range anywhere from \$30,000 to \$100,000. This expenditure would need to be funded from an internal reserve.

Based on the recent community satisfaction survey results, there are no major indicators that could be linked to the current organisation structure, with services that have lower levels of satisfaction, such as Affordable Housing, Crime Prevention and the Richmond River Health, all being complex matters that require input from all levels of government.

Operationally, Council's WHS results are far better than industry averages, whereas indicators such as sick leave and turnover are consistent with industry averages.

Council's benchmarks from the Office of Local Government's (OLG) comparative data, are also typically equal to or better than median results.

Refer to the Your Council NSW website for further information on the OLG figures, as per the following link:

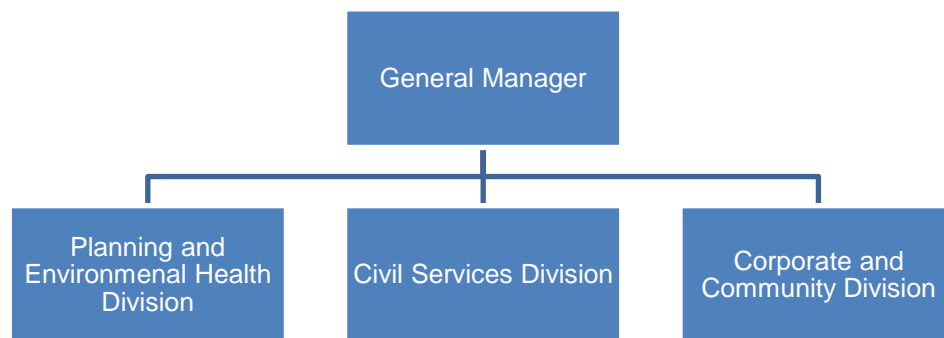
[Home - Your Council NSW](#)

Based on this information, the recommendation is to re-affirm the current structure, as the preferred structure, for this term of Council.

If Council would prefer an external review, quotations can be obtained from qualified consultants and reported back to Council for approval, along with confirming the funding source for the consultancy.

RECOMMENDATIONS

1. That Council approves the exhibition of the draft Workforce Management Plan 2025 to 2029, as per Attachment 1 to this report.
2. That Council notes the contents of the confidential information on the Supported Employment Program, as per Attachment 2 to this report, and adopts option one as outlined in that memorandum as the preferred approach.
3. That Council re-determines the existing organisation structure, as the preferred structure, as follows:



Attachment(s)

1. Draft Workforce Management Plan - 2025 to 2029 (Under separate cover)
2. Confidential Memorandum - Supported Employment Program Review (Under separate cover) (Confidential)

5.10 Strategic Asset Management Plan - 2025/26

Section Resource Recovery

Objective To present the annual update of Council's Strategic Asset Management Plan

Background

The NSW Office of Local Government's Integrated Planning and Reporting (IP&R) framework requires councils to have a resourcing strategy. This strategy includes Asset Management Plans (including the Strategic Asset Management Plan – SAMP), Long Term Financial Plan, and Workforce Management Plan.

The SAMP considers the objectives of the Council's community strategic plan. It develops the asset management objectives, framework and strategies associated with delivering the broad range of services identified through the operational plan.

This report outlines key elements of the SAMP, first adopted by Council in June 2023, and provides an overview of the updates included in the 2025 plan.

Additionally, a list of the key improvements implemented has been included to illustrate the maturation of Council's asset management function.

The updated SAMP is included in Attachment 1 to this report.

Key Issues

- Asset management
- Financial sustainability
- Service delivery

Discussion

The SAMP considers the objectives of the Council's community strategic plan. It develops the related asset management objectives, framework, and strategies associated with delivering the broad range of services the council provides to the community.

In doing this, the SAMP contains the following key elements:

- Service overview – an overview of the services we provide for the community
- Asset statistics – an overview of asset classes, value and condition
- Strategic Issues and Options – these include climate change, global pandemics, and natural disasters. We must also consider our community's wants, risks, and technical levels of service

- Asset Management Objectives – developed to ensure that our assets are managed efficiently and sustainably and that asset costs are optimised over their lifecycle
- Asset Management Planning (Action Plan) – overseen by the Strategic Asset Management Committee and formulated to address risks, increase maturity and meet our asset management objectives
- Financial Summary – Ensuring Council's budget is sufficient to meet our expected asset performance.

The SAMP is reviewed annually to ensure that the information is contemporary and continues to align with the Council's IP&R framework.

The 2025 SAMP has been reviewed to include the following updates:

- Increase in asset current value to \$1.7 billion
- Updated asset replacement costs that incorporate asset revaluations conducted throughout the year and indexation
- Inclusion of council's current asset management maturity level
- The action plan has been reviewed and updated
- Inclusion of an estimated schedule for the review of asset management plans for each asset class
- Added Artificial Intelligence within the Strategic Issues and Options

Key improvements to Council's asset management function

An internal review conducted in 2022/23 identified gaps in delivering an effective asset management framework.

The review identified the need for additional resources to bridge these gaps, ensuring we could effectively meet our SAMP objectives and the organisation's current and future asset management demands.

Since this review, the following achievements have been implemented:

- The formation of an internal strategic asset management group with key internal stakeholders from each division. This group provides oversight on implementing the SAMP and associated action plan
- The formation of a dedicated asset management team tasked with maturing asset management and the asset management system
- The asset management signoff process included in the project implementation review process has been significantly improved. This aims to increase efficiency by ensuring all information has been received for asset creation, mapping, and financial costing

- Reducing time and expenditure on asset capitalisation through data management efficiencies. This process is ongoing; however, the initial pilot and testing processes are producing good results
- Ongoing review and documentation of internal asset management processes as they are developed
- The works management module in Authority is being developed and implemented on an ongoing basis.

This module aims to streamline asset inspection and maintenance processes, improving asset performance throughout their useful life and minimising total life cost and expenditure.

- Review and streamline the asset management system's asset hierarchy to facilitate the implementation of works management and strategic asset lifecycle modelling
- Development and implementation of asset management process reporting, which assists in resource allocation and quantification to identify further opportunities for efficiencies
- Purchased online revaluation software to allow Council to conduct its revaluations internally, saving significant expenditure on external consultancy fees.

Internal teams are currently revaluing stormwater and transport assets which will be completed by the end of the 2024/25 financial year.

- The Water & Wastewater Asset Management Plan (AMP) was completed in 2024. The Stormwater & Transport AMPs is under development and is due for completion in mid-2025.

Additionally, an audit conducted in 2024 by the Audit Office of NSW examined Road Asset Management of three NSW councils.

The following recommendations from the audit findings have been integrated into our SAMP to further develop our asset management maturity.

- Updating the SAMP to include information on how the self-assessment on asset maturity is done and incorporate update intervals
- Consider the Integration of AI Automation in Asset Data and Condition Assessment.

Community Engagement Strategy

The updated Strategic Asset Management Plan will be placed on public exhibition for public comment.

Financial / Risk Considerations

The SAMP is an integral component of our planning framework and sits within the resourcing strategy.

Options

The SAMP forms part of the integrated planning and reporting suite of documents.

The options are to approve the document or amend it based on differing priorities.

It is recommended that Council approve the exhibition of the document.

RECOMMENDATION

That Council approves the exhibition of the draft Strategic Asset Management Plan, as per Attachment 1 to this report.

Attachment(s)

1. Draft Strategic Asset Management Plan - 2025/26 (Under separate cover)

5.11 Delivery Program and Operational Plan - 2025/26 to 2028/29

Section Governance

Objective To approve the exhibition of the draft Delivery Program and Operational Plan for 2025/26 to 2028/29

Background

The Office of Local Government's (OLG's) Integrated Planning and Reporting (IPR) Framework require councils to regularly review the Delivery Program and prepare a new Operational Plan each financial year.

The purpose of this report is to obtain Council approval to exhibit the documents for public comment.

Key Issues

- Ensuring the documents reflect the key actions and outcomes of Council.

Discussion

The OLG's IPR Framework specifies a range of information that must be included in the Delivery Program and the Operational Plan. A summary of the major elements for each document is as follows.

Delivery Program

- A council must have a Delivery Program, that identifies major projects and services it will undertake to achieve the objectives established in the Community Strategic Plan, within the resources available under the Resourcing Strategy.
- A council must prepare a new Delivery Program after each ordinary election of councillors to cover the activities of the council for the four-year period commencing on 1 July following the election.

The Delivery Plan is based on a four-year plan.

- The General Manager must ensure that progress reports are provided to the council, with respect to the activities detailed in the Delivery Program, at least every six months. Council receives quarterly updates.
- A council must review its Delivery Program each year when preparing the Operational Plan.

Operational Plan

- Council must have an annual Operational Plan, adopted before the beginning of each financial year, outlining the activities to be undertaken that year, as part of the Delivery Program. The Operational Plan focuses on actions and activities to be delivered during the current year.

- The draft Operational Plan must be publicly exhibited for at least 28 days and public submissions can be made to Council during the period.
- Council must consider any submissions made on the draft Operational Plan before adopting the Operational Plan.
- A copy of the adopted Operational Plan must be placed on the Council website, within 28 days after the Plan is adopted

Council has been producing a combined Delivery Program and Operational Plan (DPOP) to avoid unnecessary documentation and duplication.

A combined document is once again submitted for 2025/26 to 2028/29, as per Attachment 1 to this report.

A key part of the attached document is the section titled *Heading in the Right Direction*, as this section outlines the various activities (or tasks) that are planned for 2025/26, along with activities planned for later years.

Council has received feedback on the directions and outcomes that underpin this document from a community engagement process to develop the new Community Strategic Plan 2035 (CSP).

Based on the engagement results, the draft DPOP includes reordered directions to align with community priorities, revised direction statements, and adjustments to outcomes and action wording.

These changes are also reflected in Council's draft CSP, which is the subject of a separate report in this meeting agenda.

Several new actions have been included from master plans or strategic plans that have been adopted by Council over the years.

They include actions from the Wollongbar Strategic Plan and Lennox Head Strategic Plan (refer pages 15 and 16), and the Biodiversity Strategy (page 17).

It is important that Councillors have their priorities included in the *Heading in the Right Direction* section of the document, as the actions direct staff resources throughout the year.

Ensuring this section accurately reflects the goals of Council, assists in allocating resources to implement the actions in the document.

An accurate document also reduces the need for ad hoc notices of motion during the year.

Notices of motion result in the redirection of staff resources towards other actions, which then impacts the delivery of adopted priorities for the year.

The Operational Plan should be the document that reflects the Council's goals, and through its public exhibition and adoption, the community is informed on what is planned for the year and is able to measure how Council is performing against those goals.

Community Engagement Strategy

The Delivery Program and Operational Plan, including LTFP and Workforce Plan, will be exhibited for public comment, subject to approval at the April 2025 Ordinary meeting.

The exhibition will occur during May and June 2025, with the outcomes from the exhibition period reported to the June 2025 Ordinary meeting.

To ensure there is community engagement, activities proposed include:

- Online video presentation accessible at any time
- Online engagement platform inviting questions from the community to *YourSayBallina.com.au*
- Engagement with members of Council's Ward Committees through direct correspondence and updates at the Ward Committees.

Due to low numbers in recent years, no public meetings are planned, with staff able to attend any community group meetings where there is interest in receiving a presentation on the draft documents.

Financial / Risk Considerations

Council will satisfy its compliance obligations by preparing a draft Delivery Program and Operational Plan for public exhibition. That document will need to be adopted at the June 2025 Ordinary meeting. The Delivery Program and Operational Plan also provide a summary of Council's finances.

Options

The recommendation is to exhibit the draft Delivery Program and Operational Plan, subject to any changes arising from this meeting.

It is important that Council add any actions or indicators that Councillors would like to see implemented, or measured, into the draft document as the Delivery Program and Operational Plan underpin the allocation of Council's resources each year.

RECOMMENDATION

That Council approves the exhibition of the draft Delivery Program and Operational Plan for 2025/26 to 2028/29, as per Attachment 1 to this report, inclusive of any changes arising from this meeting.

Attachment(s)

1. Draft Delivery Program and Operational Plan - 2025/26 to 2028/29 (Under separate cover)

5.12 Wigmore Arcade Complex - Leasing Proposal

5.12 Wigmore Arcade Complex - Leasing Proposal

Section Commercial Services

Objective To provide Council with information regarding a leasing proposal for the Wigmore Arcade Complex.

Background

Council has been approached by a long-term tenant (the proponent tenant) in the Wigmore Arcade complex with a proposal to lease an adjoining tenancy and create one large tenancy. The proponent tenant has reached agreement with the adjoining tenant. Given the commercial negotiations and confidentiality of this matter, this report provides an overview of the proposal, with details provided in a confidential report included in this meeting agenda.

Key Issues

- Surrender of leases
- New lease terms and conditions

Discussion

The proponent tenant is seeking to lease an adjoining tenancy and create one large tenancy. The proponent tenant has reached an agreement with the adjoining tenant to surrender their lease. The proponent tenant would also surrender their lease and enter a new lease over both shops. Terms and conditions for the new lease have been agreed to in principle and are contained in the confidential report.

Community Engagement Strategy

No community engagement is required.

Financial / Risk Considerations

Details regarding the financial considerations for the proposed lease are noted in the confidential report included in this meeting agenda.

Options

This report is for noting.

RECOMMENDATION

That Council note the contents of this report that provides an overview of the confidential Wigmore Arcade Complex – Leasing Proposal report.

Attachment(s)

Nil

6. Confidential Session

In accordance with Section 9 (2A) of the Local Government Act 1993, the General Manager is of the opinion that the matters included in the Confidential Business Paper, and detailed below are likely to be considered when the meeting is closed to the public.

Section 10A(4) of the Local Government Act, 1993 provides that members of the public are allowed to make representations to or at a meeting, before any part of the meeting is closed to the public, as to whether that part of the meeting should be closed.

A brief summary of each of the reports recommended for consideration in confidential session follows:

6.1 Wigmore Arcade Complex - Leasing Proposal

This report contains information relating to as it may compromise negotiations.

RECOMMENDATION

That Council moves into committee of the whole with the meeting closed to the public, to consider the following items in accordance with Section 10A (2) of the Local Government Act 1993.

6.1 Wigmore Arcade Complex - Leasing Proposal

Reason for Confidentiality

This report is **CONFIDENTIAL** in accordance with Section 10A(2)(c) of the Local Government Act 1993. which permits the meeting to be closed to the public for business relating to the following:-

- c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business

and in accordance with 10D(2)(c), on balance, the discussion of the matter in an open meeting is not considered to be in the public interest as it may compromise negotiations.