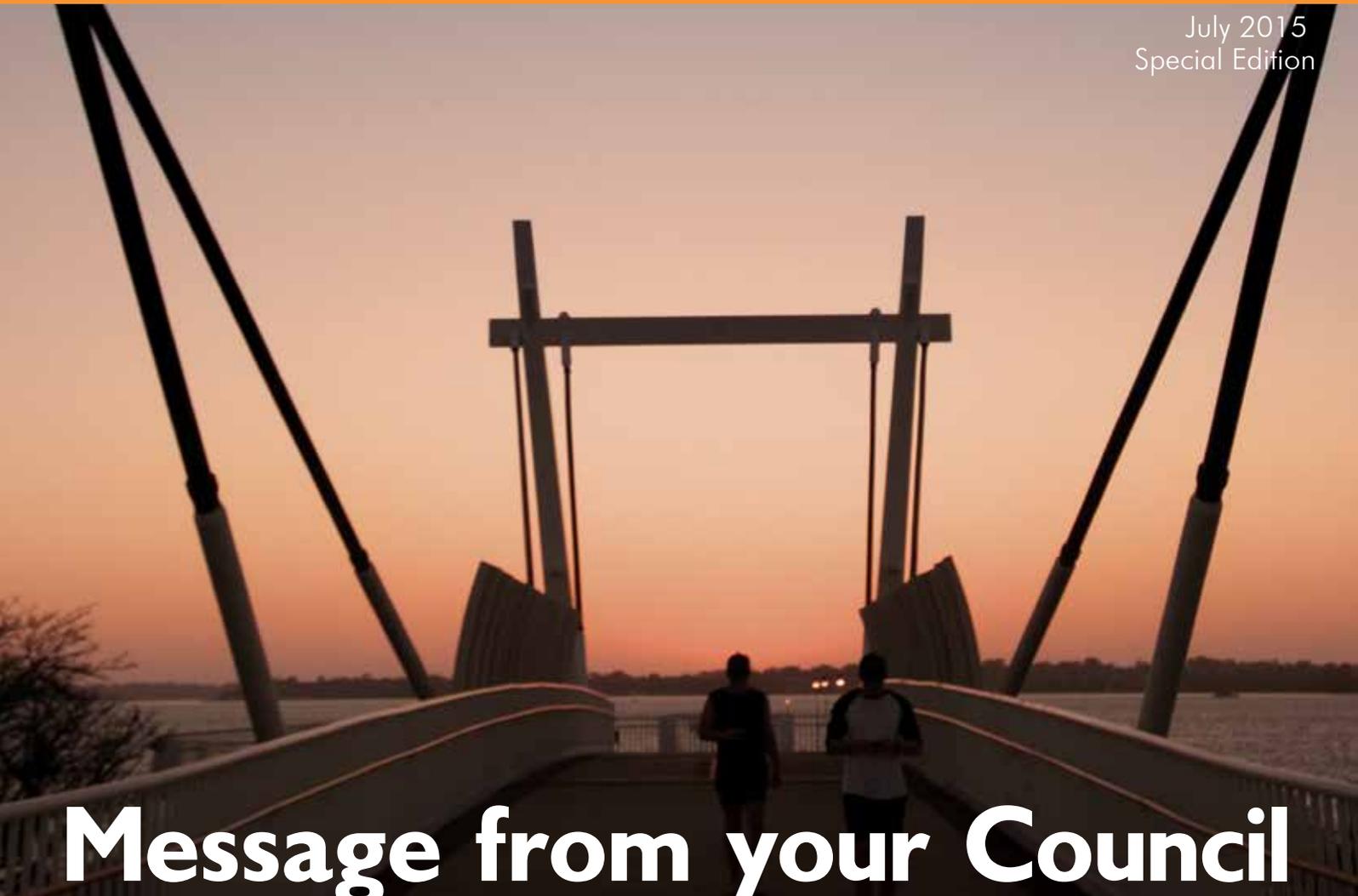


Peninsula

July 2015
Special Edition



Message from your Council

THE CITY'S 2015/2016 Budget demonstrates our leadership team's responsible stewardship of our community's financial resources. Our rigorous corporate and strategic financial planning processes enable us to match our financial resources and capacity with our community's aspirations. This allows us to be confident that we can deliver upon the ideas identified through our community visioning and strategic planning process.

This Budget has evolved through a carefully considered and sustainable financial management approach that is aligned with our long-term financial planning model. It ensures accountability for the use of our financial resources as well as delivering maximum community benefit from each dollar spent.

The 2015/2016 Budget sees the delivery of very significant and eagerly awaited community initiatives including the Manning Community Hub, Sir James Mitchell Park Foreshore River Walls and Promenade Project and the Miller's Pool Precinct upgrade.

This Budget demonstrates a 'value for money' philosophy, providing funding for responsible governance, an impressive range of community services and capital initiatives that maintain and improve the City's infrastructure, community buildings and parklands.

The combined increase in Rates and Rubbish Charges for an 'average' property in the City for 2015/2016 will be 4.51% or \$1.57 per week. The 10.6% increase in the state government Emergency Services Levy (ESL) adds another 0.9% to the overall amount on the rates notice. The combined effect is therefore a 5.41% total increase or \$2.16 per week. This increase is a result that stands up very well against our metropolitan local government peers. Minimum rated properties will experience a 4.8% increase in combined charges.

Council prides itself on delivering a responsible, value for money Budget. We are proud to present the 2015/2016 Budget to our community and we look forward to working with you to make our vision for the City of South Perth a reality. ■

Budget Snapshot



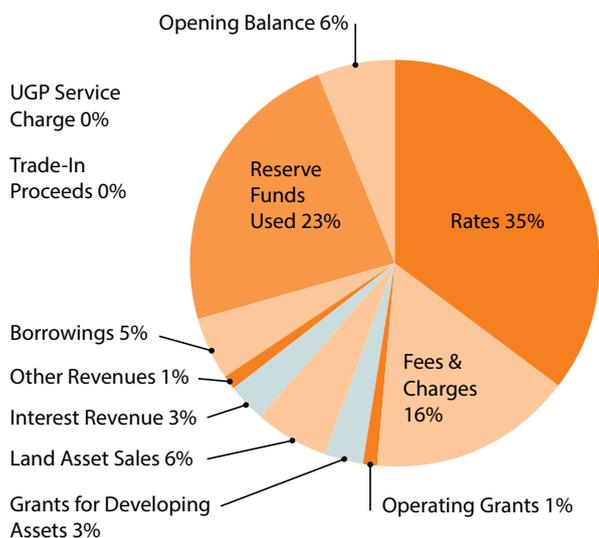
Funding

- 2015/2016 Budget supports the City's long term financial sustainability
- Funding autonomy ratios remain strong
- Rate in the \$ increases from 6.0700 cents to 6.3098 cents
- Rubbish Service Charge increases from \$252 to \$262
- Capital Grants of \$3.19M obtained to support infrastructure works
- Operating Grants of \$1.76M obtained
- Investment revenue of \$2.82M reduces dependence on rates
- Strategic land disposal proceeds in excess of \$5.44M anticipated
- Major capital projects receive a \$20.00M contribution from cash-backed reserves.

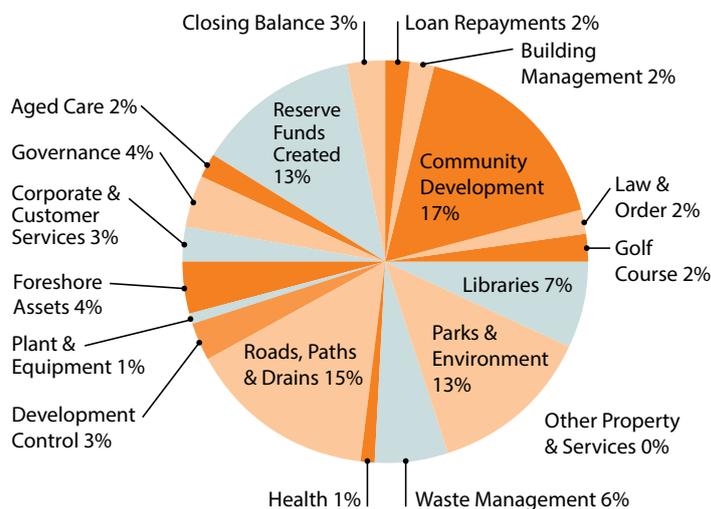
Expenditure

- \$52.20M to support all operational services delivered by the City
- Capital works program is largest in City's history at \$33.5M
- \$16.91M towards the Manning Community Hub development
- \$1.50M for the SJMP Foreshore River Walls and Promenade Projects
- \$2.50M towards the Miller's Pool Precinct redevelopment
- \$2.72M towards maintaining and improving our road network
- \$0.90M for upgrading storm water drainage infrastructure
- \$0.56M to provide safer and better paths in and around the City
- \$1.23M for traffic management initiatives
- \$1.80M to upgrade our parks and reticulation systems
- \$0.30M to enhance our streetscapes
- \$0.36M towards managing our natural environmental
- \$0.86M to upgrade City and community buildings
- \$0.20M towards planning studies and developing planning strategies
- Funding for new and enhanced digital service models
- Significant ongoing commitment to aged care initiatives
- Ongoing support for the development of community and sporting groups.

2015/2016 Annual Budget – Where the Funds Come From



2015/2016 Annual Budget – Where the Funds are Spent



Investing in the Community and Value for Money

UNLIKE many other transactions, the value that you receive from payment of rates and charges may not be readily apparent. As payment of rates and charges is not a voluntary investment, we believe that it is important our ratepayers understand and appreciate what they get in return for paying their rates.

Paying your rates and charges is like paying for a membership of the City of South Perth community. The average property owner in our City pays around \$42 per week for that 'membership'.

In return for paying this membership fee, you and your family are entitled to enjoy around 200 different services or facilities that are provided or supported by the City of South Perth.

Among the many different services or facilities that you can chose to enjoy are:

- Unlimited use of modern library facilities
- Access to a well-equipped recreational facility
- Transport options through a network of roads, paths and cycle ways
- Use of our many beautiful parklands and facilities such as BBQs and beaches
- Enjoyment of our natural bush land and foreshore areas
- Use of our active sports grounds
- Child health services
- Aged care facilities
- Senior citizens centres
- Managed parking activities
- Control of dogs
- Policing of other local laws
- Orderly development of our residential precincts
- Well planned commercial centres
- Community safety initiatives
- Kindergartens & pre-schools
- Weekly rubbish collections & half yearly kerb-side bulk waste collections
- Fortnightly rubbish recycling services
- Concerts, fireworks, exhibitions and community events
- Use of our many sporting pavilions and halls
- Unlimited enjoyment of our streetscapes and historical precincts

This list is just a small sample of the value for money services and facilities that are provided by your local government. We also advocate on your behalf to state and federal governments to secure their support and funding for larger initiatives.

For the modest fee that you pay, you get the opportunity to participate and enjoy the many services and facilities that your Council provides.

Projected Key Financial Indicators (at 30 June 2016)

Operating Surplus Ratio (Industry benchmark is between 0% and 15%)	8.8%
Own Source Revenue Ratio (Industry benchmark is greater than 90%)	106.0%
Current Ratio (Industry benchmark is greater than 100%)	120.0%
Debt Service Ratio (Industry benchmark is greater than 5.0)	7.91
Asset Consumption Ratio (Industry benchmark is 50% - 75%)	60.8%
Asset Sustainability Ratio (Industry benchmark is 90% - 110%)	119.6%
Asset Renewal Ratio (Industry benchmark is 75% - 95%)	93.6%

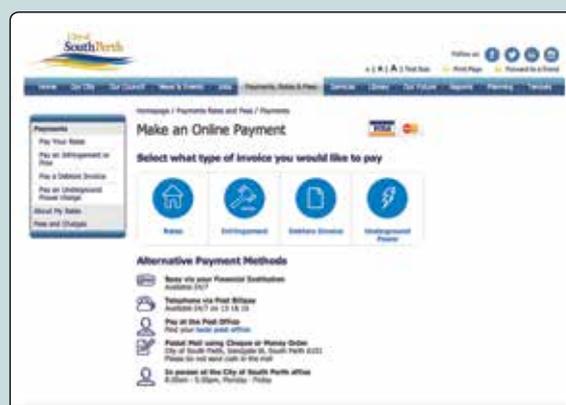
The projected key financial indicators (KFI) shown above demonstrate the City's solid financial fundamentals and potential for long-term financial sustainability. These indicators provide convincing evidence that the strategies underpinning the City's Long Term Financial Plan create a responsible financial blueprint for the future of our City.

Useful Information About Rates

HAVE you ever wondered how rates are calculated or what they are used for? Visit the City's website and check out our new look Rates & Fees area. We have re-designed the All About Rates and Online Payments pages to give them a more intuitive look and feel so that they provide a better user experience.

It is a great place to find useful information about:

- who pays rates?
- how are rates calculated?
- who is eligible for a pensioner or senior's concession?
- what payment options do we provide?
- when are the installment due dates?



How Your Rates are Calculated

PROPERTIES in the City are rated based on the Gross Rental Value (GRV) of the property. GRV is an independent determination of the likely annual return on a property after deduction of rates and land taxes. For example, a property assessed as having a GRV of \$26,000 would reflect an assessed rental return after rates and taxes of \$500 per week.

The WA Valuer General's Office provided a new GRV for every property in the City as at 1 July 2014 and does so on a three yearly cycle. The City is required to use these values to establish the 2015/2016 rates - which are determined by applying a nominated rate in the dollar (\$6.3098 cents) to the GRV of each property to set the rates for each property. ■



Rubbish Service Levy

The most recognised service provided by local government is waste management. Your rubbish service levy provides for a weekly rubbish service and fortnightly recycling service, supplemented by two verge side rubbish collections and three free entries a year to the City's Collier Park Waste Transfer Station for all resident ratepayers.

The City operates waste collection activities on a full cost recovery basis. Waste management costs are impacted by factors including contract cost increases, fuel cost and increases in the state government waste levy.

A modest increase in the rubbish service levy was necessary for 2015/2016 with the standard rubbish service levy increasing from \$252 to \$262. Despite this increase, the City's rubbish service charge remains very much at the lower end of the levies charged by our peer local governments.

Loan Borrowings

The City uses loan borrowings as part of a responsible and sustainable funding strategy. Loan funds are sourced from WA Treasury Corporation on fixed interest rates and on terms that match the life of the associated asset.

The City plans to borrow \$5,000,000 over 20 years in 2015/2016 as part of the funding package for the Manning Community Hub.

Such borrowings are used to address the effects of inter-generational equity in relation to large community facilities where the capital expenditure occurs within a single year but the community benefit from those facilities extends for several decades. These borrowings reflect 27% of the total funding model for this project.

Strategic Land Disposals

For some years, the City has been responsibly progressing the disposal of several strategic land parcels that are currently surplus to requirements. The funds generated by these disposals of unproductive land assets will provide opportunities to deliver major new community facilities.

Disposal proceeds from these transactions have been specifically allocated in comprehensive funding models that support the development of major community facilities including the Manning Community Hub, Sir James Mitchell Park Foreshore River Walls and Promenade project and the (future) upgrade of the Ernest Johnson Oval Precinct.

Funds realised through these planned land disposals will be quarantined in the cash backed Major Community Facilities Reserve where they will remain (flagged for their specific purpose) until funds are required to deliver those initiatives in this and future years.

Major Community Projects in the 2015/2016 Budget



Manning Community Hub

The 2015/2016 Budget allocates \$16,910,000 towards the construction of the new Manning Community Hub. This exciting project involves the creation of a dynamic new community facility that integrates with the adjacent shopping precinct and the City's James Miller Oval. The new oval will also get a \$1,230,000 upgrade. The new facility, which benefits from land disposal proceeds and grant funding, will incorporate a new state

of the art library, community hall, child health clinic, early years (childhood) facility, indigenous culture centre and sporting club room and change-rooms.

This project is expected to be the centrepiece of the 2015/2016 Budget as it is the largest project ever undertaken by the City. The majority of the construction and fit-out expenditure will occur during that period.

Millers Pool

The City is committing \$2,500,000 in 2015/2016 to make this iconic site more appealing and accessible, creating a welcoming public space that recognises the history associated with this site. The project includes an upgrade to landscaping in the precinct and improvements to parking.

River Walls & Promenade

Supported by a further \$350,000 in grant funds, the City will be making a \$1,500,000 commitment in 2015/2016 to replace damaged and deteriorated river walls along the Sir James Mitchell Park foreshore and construct a high quality pedestrian friendly 5.5 metre wide promenade. This project will address a number of very important matters relating to the foreshore at the entrance to our City, including environmental, public safety, aesthetic and amenity considerations. ■



Budget Highlights



Maintaining Our Roads

The Budget provides \$2,720,000 towards maintaining and rehabilitating our road infrastructure. Around 25% of this amount has been obtained from Commonwealth and state government grants - reducing the cost to our ratepayers. Major road projects to be undertaken include Marsh Ave, South Tce (between Murray St & Coode St), Welwyn Ave, Duckett Dr, Todd Ave, Jubilee St, Roebuck Dr, Alston Ave and Landsdowne Rd.

A further \$1,230,000 is provided for traffic management initiatives in various precincts, with the most significant projects being the Hayman Rd & Thelma St and Marsh Ave & Griffin Ave roundabouts. Other projects include Todd Ave, Alston Ave and Banksia Tce.

The City has been successful in securing \$530,000 in grant funds to support this program.

Storm Water Management

As recent storm events around the country have demonstrated, planning for and enhancing the capacity of our drainage systems to cope with severe storm events is an important infrastructure management responsibility.

Funding of \$900,000 has been provided in the 2015/2016 Budget for upgrading of drainage infrastructure in a number of locations around the City, including at Queen St and Melville Pde. Significant funding is also provided for the replacement of gross pollutant traps and storm water drainage infrastructure at various catchment locations across the City.



Safer Paths

We have continued our commitment in this Budget to upgrading and expanding our path network to provide safe, convenient pedestrian thoroughfares across the City.

In addition to our \$200,000 program to replace slab paths with in-situ concrete paths to reduce the likelihood of trip and fall incidents, we have provided a further \$305,000 for paths in the Salter Point precinct, Sir James Mitchell Park, and a path infill program at various locations within the City, following public consultation on the proposed program. The City has also committed \$60,000 to a comprehensive assessment of all paths in the City to strengthen the asset database that is used to ensure the most effective use of our proposed asset management expenditure.

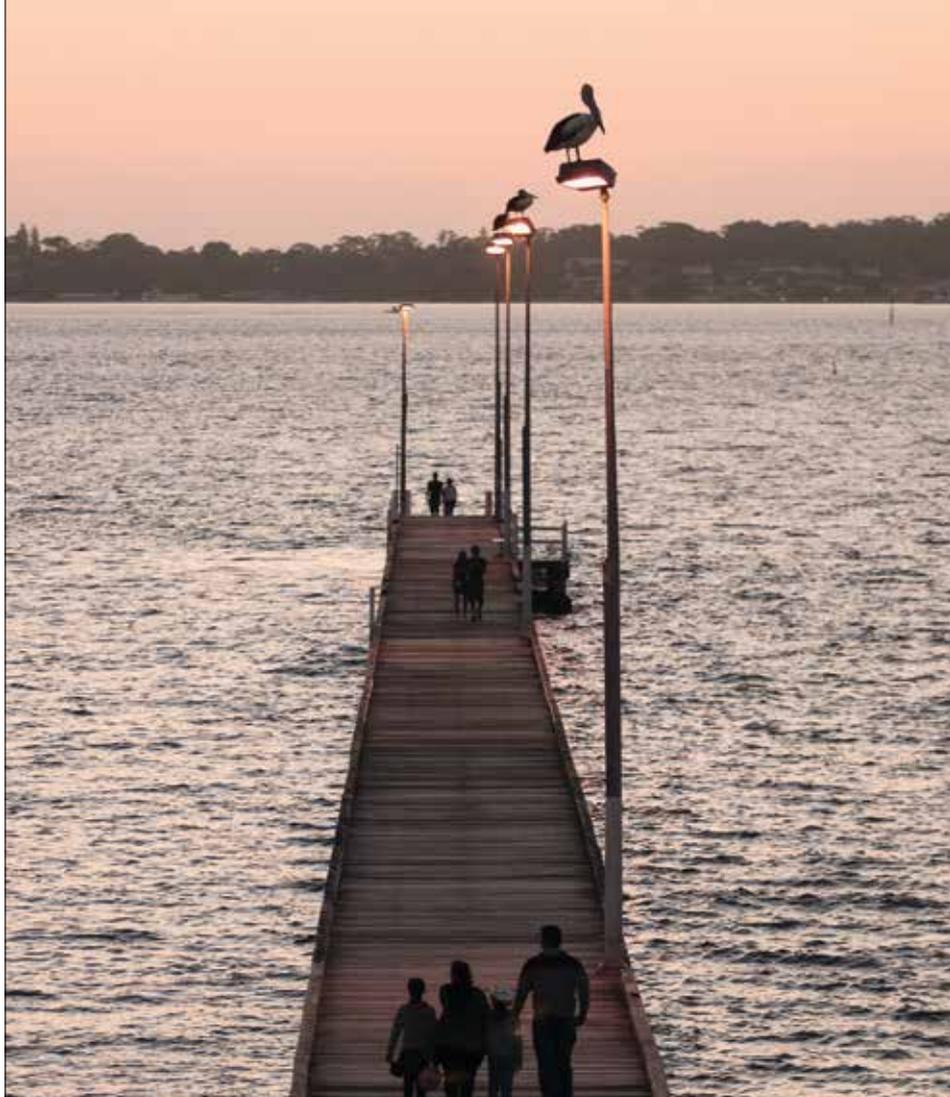
Better Parks and Playgrounds

To make our parks more environmentally responsible as well as welcoming and family friendly, \$190,000 has been provided to upgrade playground equipment at various playground areas, with a further \$50,000 being allocated for park furniture.

A total of \$1,230,000 has been allocated to re-establishing a first class sporting service at James Miller Oval following the completion of construction on the Manning Community Hub facility.

Recognising the importance of responsible use of our water resources, \$100,000 has been allocated for pump and bore replacement, \$60,000 for irrigation upgrades and \$50,000 for landscaping in hydro-zoned parks. \$50,000 is committed towards seating, street bins and drinking fountains within the Karawara Greenways. A further \$50,000 has also been allocated to the Urban Forest Project.





Looking After Our Environment

A total of \$350,000 is committed for environmental projects in 2015/2016. This includes \$100,000 for revegetation and management of natural areas in Cygnia Cove, \$38,000 for the Cloisters foreshore restoration and re-vegetation and a further \$50,000 for the Salter Point and Waterford foreshore area. The Budget also makes a \$50,000 contribution towards the Perth Biodiversity Weed Mapping Project, \$40,000 for the Green Plan implementation and an additional \$20,000 for the McDougall Lake restoration.

Improving Our Streetscapes

\$300,000 has been allocated in the 2015/2016 Budget to enhance City streetscapes. Major initiatives funded include the enhancement of traffic management measures, removal of deteriorating street trees and the scheduled street tree planning program.

Improving Community Buildings

The 2015/2016 Budget allocates \$860,000 for upgrades and refurbishments at civic buildings, community buildings and pavilions in the City. These include minor refurbishments, security and access improvements and expansions at a number of different facilities.

Asset Management

Responsible management of community infrastructure requires that decisions on the creation, maintenance and service levels offered by infrastructure assets are based on informed, objective information and responsible long term financial planning.

Through its commitment to implementing the local government integrated planning and reporting framework, the City has allocated a further \$150,000 in the Budget for the collection of infrastructure condition data and the development of robust asset management financial modeling. This initiative will ensure that future infrastructure funding allocations will be targeted, focused and will maximize return on each dollar invested.

Digital Service Initiatives

During the 2015/2016 year, the City will be investing funds to expand its digital service offerings. Although the City is already considered to be a leader in digital service delivery by its peer local governments, we recognise that there are still many opportunities that can be pursued to ensure that customer access to our services is not constrained by walls or clocks. That is, our customers can interact with us at the time of their choice, at the place of their choice and using their device of choice.

In addition to our already successful online payments and *Report It* mobile app, the City is currently pursuing a strategy to allow our customers to lodge planning or building applications online, as well as book parks, halls and recreation centres – all in real time. This is an exciting new initiative for our local government and will deliver an enhanced user journey for our customers.

This initiative is the centre-piece of our new digital strategy for 2015/2016 and will complement the roll out of a best-practice contemporary content management system (CMS) website during 2015/2016. Our website's online payments, fees and charges sections are also undergoing a major re-vamp to make them more user friendly and intuitive. ■



How to Pay Your Rates

We offer a variety of convenient options for the payment of rates:



Pay via BPay through your financial institution. Automatically schedule future instalments to occur later in the year. (24 hours 7 days a week)



By mail to
City of South Perth,
Civic Centre, Cnr Sandgate St and South
Tce, South Perth WA 6151



Secure online payment
at www.southperth.wa.gov.au
Select 'Pay Online'
(24 hours 7 days a week)



By phone using your credit card
to City of South Perth
(Operator assisted – office hours only)
Phone 9474 0777



By phone to Post Billpay on
13 18 16 – via credit card
(24 hours 7 days a week)



In person at the South Perth
Civic Centre
(Office hours only)



In person at any Australia Post
branch in Australia
(Office hours)

Payment by Instalments

A small administration and interest charge is levied for this convenient payment option. To qualify for the instalment payment option, the City must receive your first instalment amount by the close of business on **26 August 2015**.

Instalment amounts received after that time cannot be entered onto the instalment payment plan. Instalment Reminder Notices will not be issued in such cases.

Information for Pensioners and Seniors

Rebates or deferrals apply only to Rates and the Emergency Services Levy. Other charges such as rubbish or pool fees must be paid in full.

To be eligible for a concession, an applicant must be

- the owner and reside in the property on 1 July of the rates year; and
- in receipt of a pension or hold a valid Pensioner Concession Card or State Concession Card; or
- in receipt of a valid Senior's Card or Commonwealth Seniors Health Care Card.

Eligible pensioners are entitled to claim a rebate of 50% of the current year's rates or may apply to defer those rates. Seniors who meet the eligibility criteria are entitled to claim a rebate of 25% of the current year's rates up to a maximum of \$284.71

Concessions apply after eligible ratepayers have registered their entitlement with either the City or Water Corporation. Pro-rata rebates may be offered.

You must notify the City or Water Corporation if you change your circumstances in relation to your pension, ownership of the property or whether you continue to occupy the property

Experiencing Problems Paying Your Rates?

If you are experiencing difficulties in paying your rates by the due date, please contact our Customer Liaison Officers on 9474 0777 to arrange an alternative payment scheme.

You can also request a payment plan by completing a Rates Payment Arrangement Form. Application forms are available on the City's website under Rates & Fees - All about Rates.

City of
South Perth



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