



2016/17 Budget

SERVICING Ballarat

MAINTAINING Ballarat

BUILDING Ballarat

CLEAN Ballarat

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Mayors Message

This year's Budget is the last budget for this Council prior to the 2016 election. Council's final agenda was principally set out in the 2015/16 budget, and now being delivered over our remaining period in office.

The biggest challenge for this year's budget consideration is the Essential Services Commission's (ESC) as yet unknown decision with regard to Council's application for exemption to the Rate Cap.

Council is exhibited four possible draft Budgets, which was highly unusual. We would have preferred to be able to tell the community exactly which of the four options will be applied. Unfortunately, the timeframes for receiving the result of Council's submission to the ESC did not allow for this.

Legislative requirements mean that because the ESC is yet to make a decision on exemptions to rate capping, Council provided for four possible scenarios:

1. Rate Cap exemption application not granted, resulting in a 2.5% rate rise draft budget
2. Full Rate Cap exemption application granted, resulting in a 3.7% rate rise
3. Partial Rate Cap exemption application granted in relation to infrastructure funding, resulting in a 3.03% rate rise
4. Partial Rate Cap exemption application granted in relation to Developer Contributions Plan (DCP) funding, resulting in a 3.17% rate rise

The Budget 2016/17 continues the clear direction and principles laid out in the Council Plan 2013-2017. The Plan was established by the current Council in 2013 and outlines the projects and services this Council has committed to delivering to the community.

NB: As of 31 May 2015, the Ballarat City Council was advised that the rate cap variation application was not successful. The impact of this decision is that the rate increase is proposed to be 2.5%. The reduction in expenditure will be found within the capital works program.

MAINTAINING Ballarat

Proposed Maintaining Ballarat projects include:

- \$2.7 million to maintain Council buildings
- \$10 million for roads maintenance
- \$210,000 for bridge repairs
- \$1.02 million for city presentation projects including street furniture, city entrances, street irrigation and landscaping, public place recycling and bus shelters
- \$222,000 for public art and restoring city monuments
- \$348,000 for neighbourhood playgrounds
- \$337,000 for neighbourhood parks



This year's budget continues the delivery of fundamental services for Ballarat. Council has locked in the necessary expenses to run its 100-plus services through the 2016/17 Budget.

This budget delivers all the services that the community needs and use every day including roads maintenance, libraries, immunisation and collecting garbage. We know these services are important to residents and they are the core work of Council.

SERVICING Ballarat

A selection of Servicing Ballarat projects include:

- \$13.63 million for road construction and renewal, including \$2 million for rural roads
- \$1.54 million for drainage projects
- \$1.65 million for Ballarat's three libraries and outreach service
- \$1.148 million for Bicycle Strategy projects, bicycle paths and footpaths
- \$200,000 maintained for additional funding for community events including Christmas and Winterlude
- \$300,000 to the City of Ballarat Community Impact Grants Program
- \$375,000 to the Township Empowerment Programs

This year's budget continues the hard work of building for growth in Ballarat, including stimulating job growth and a stronger local economy. Extensive lobbying with the State Government has secured \$53 million to build a better Ballarat.



BUILDING Ballarat

This year's proposed budget continues the hard work of building for growth in Ballarat, including stimulating job growth and a stronger local economy. The 2015/16 budget saw the results of extensive lobbying with the State Government which secured \$53 million to build a better Ballarat. These projects commenced during the 2015/16 year and will be finalised during the 2016/17 year.

The 2016/16 year will see those critical major projects in partnership with the State Government, completed:

Ballarat West Employment Zone

- \$5 million – City of Ballarat
- \$25 million – State Government

Wendouree Basketball and Sports Centre

- \$5 million – City of Ballarat
- \$9 million – State Government

Lucas Community Hub

- \$2.65 million – City of Ballarat

- \$1.6 million - State Government

Eureka Stadium AFL Upgrade

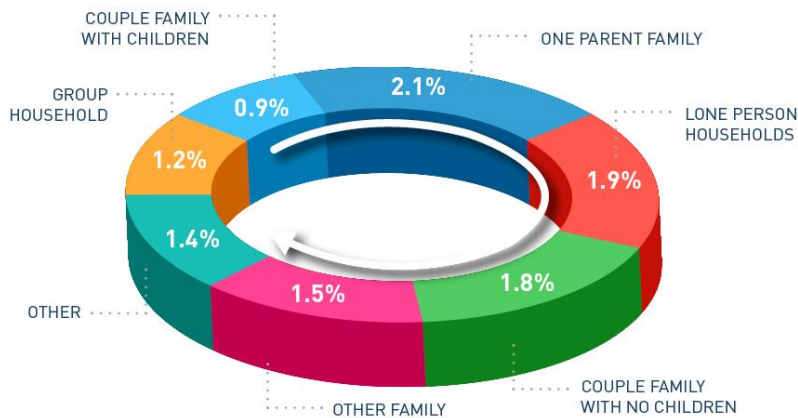
- \$15 million – State Government

CE Brown Reserve Clubrooms Upgrade

- \$2.5 million – State Government

The City of Ballarat will continue the annual investment in excess of \$4 million for sports and recreation projects in 2016/17.

In 2040, the structure of families will be different to today



Forecast Annual % Change in family types 2013 - 2031

CLEAN Ballarat

Council is dedicated to the Clean Ballarat initiative – providing an integrated approach to all of the city’s environmental initiatives. This includes looking at how we manage and deal with the city’s waste as well as innovative solution to our water and energy use.

Clean Ballarat projects included in the Draft Budget 2016/17:

- \$25,000 to replacing street lighting with low energy use light fittings as part of a long term transition project
- Introduction of a “Green Waste” service commencing July 2016.

The Clean Ballarat initiative is a careful response aimed at managing our business more effectively. A central focus of this will be a review of waste and landfill operations with a view to utilising these streams to generate energy and economic opportunity for our community.



In line with its long-term financial strategy, Council will continue its commitment to sustainable financial management

In developing this Draft Budget, a strong commitment has been maintained to ensure that the Ballarat City Council remains in a strong financial position to manage one of regional Australia’s fastest growing populations.

Whilst Council faces the challenge of “Rate Capping” and the subsequent reduction in revenue, in this budget, Council will still deliver on the Council Plan set down in the first year of this Council’s term whilst maintaining a strong financial position.

It is clear that the next Council will face significant challenges to maintain financial sustainability whilst being able to deliver those services and projects that the community demands. This Council has maintained a strong financial position that will enable the next Council the necessary capacity to continue the growth and to be able to build Ballarat for current and future generations.



**Cr Des Hudson
Mayor**

 **CITY OF BALLARAT** Budget 2016/17



**SERVICING
Ballarat**



**MAINTAINING
Ballarat**



**BUILDING
Ballarat**



**CLEAN
Ballarat**

Chief Executive Officer's Message

Council has experienced unprecedented financial pressures with the introduction of rate capping and the cumulative 'freezing' of Federal Financial Assistance Grants funding. The new environment is definitely not business as usual for most councils and a range of responses are not only being explored but actively implemented in an effort to seek financial sustainability. For the City of Ballarat, this means that this last budget for the current term of Council is a deliberately restrained and frugal one. This budget aims to deliver on the remaining core projects and service goals set in the 2013-2017 Council Plan. In fact, Council has been able to achieve a great deal of the ambitious plan it set back in 2013 and is now in the process of evaluating and assessing what has worked well, and what requires improvement or modification, as it prepares for the next 4 year challenge after the October 2016 election.

So what has Council done to set the foundations for our future and what does this mean for the 2016/17 Budget? We've conducted thorough, evidence-based reviews of a number of service areas and infrastructure assets. We've done this at the same time as dealing with significant environmental challenges in the face of fires and a variable climate. Emergency management, disaster planning, risk mitigation and building community and business resilience are now core, no longer "add-on" roles, for councils in Victoria and the City of Ballarat is no exception. We have re-scoped our priorities and listened intently to the community via a variety of methods from social media, to public meetings, to listening posts, surveys, questions asked from the public at Council meetings, deputations, petitions, mediation sessions and workshops. Engagement with the community is an everyday thing that is embraced by both staff and elected representatives. This is a leadership priority for us all and an area that we will continue to seek to improve.



Justine Linley
Chief Executive Officer

2016 – 2017 Budget Introduction

Council advertised in the Ballarat Courier on Saturday 14 May 2016, that the 2016 – 2017 budget would be on public display at the Town Hall and Phoenix buildings, also would be available on the Ballarat City Council website for a period of 28 days. The public display period closed at 9.00 am on 13 June 2016.

During this period, members of the public had the opportunity to submit a written submission to Council on any matters contained within the budget

At the Special Council Meeting held on 15 June 2016, Council received all submissions and heard from those members of the community who have indicated that they wish to have the opportunity to address the Council in support of their submission.

All written submissions were presented to Council and treated as confidential, as such, those submissions were not made available to the public or media and were treated in confidence.

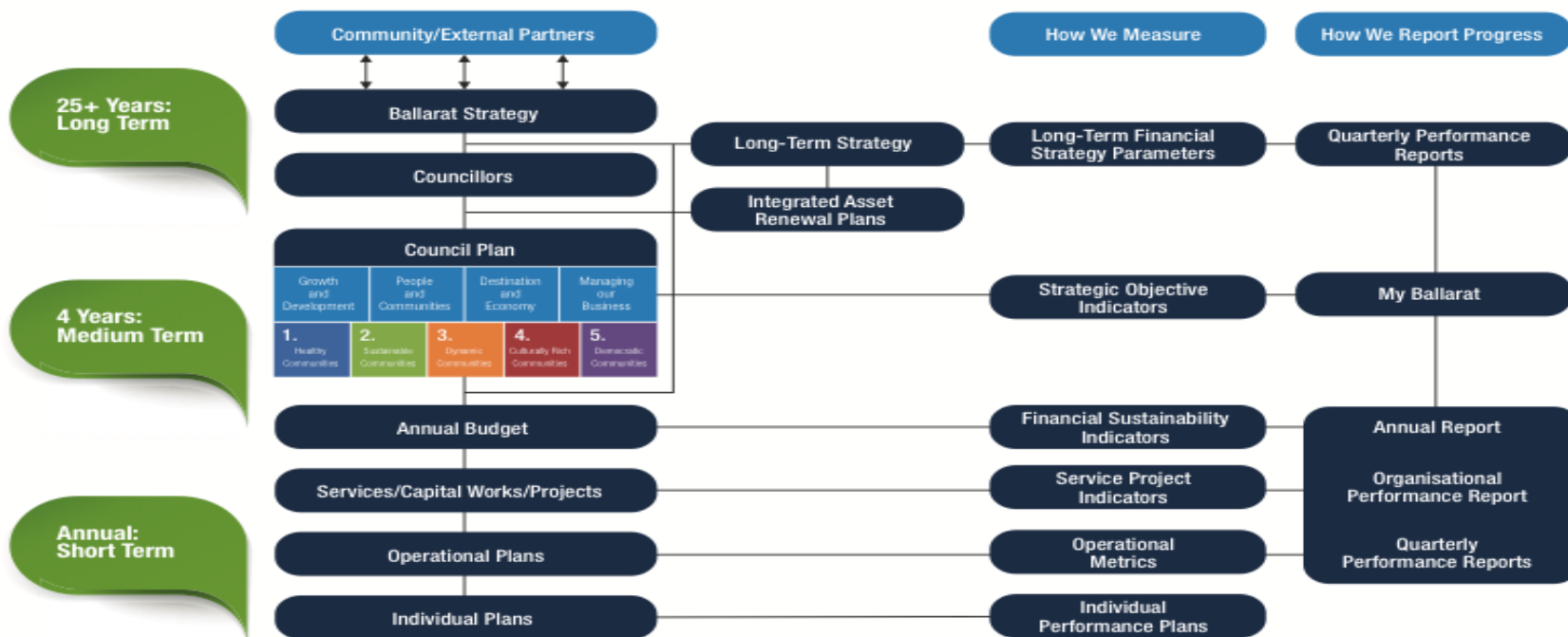
Members of the public that have indicated in their submission they wished to present to Council had the opportunity to do so at the Special Council Meeting held on Wednesday 15 June 2016 at 7.00pm, this meeting was open to the public.

Strategic Planning Framework

The Annual Budget has been developed within an overall planning framework, which guides the Council in identifying community needs and aspirations over the long term (Community Plan), medium term (Council Plan) short term (Annual Budget) and then holding itself accountable (Audited Statements).

The Strategic Resource Plan, included in the Council Plan summarises the financial and non-financial impacts of the objectives and strategies and determines the sustainability of these objectives and strategies. The Annual Budget is then framed within the Strategic Resource Plan, taking into account the objectives and initiatives included in the Annual Budget which contribute to achieving the strategic objectives specified in the Council Plan. The diagram below depicts the strategic planning framework of the City of Ballarat.

Council's Planning Framework



The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes. The Council Budget, and Council Plan, including the Strategic Resource Plan, is required to be completed by the 30th June following a general election and is reviewed each year by February to ensure that there is sufficient time for officers to develop their Activities and Initiatives and Key Strategic Activities in draft form prior to the commencement of the Annual Budget process in February. It also allows time for targets to be established during the long term financial planning process that has led to the development of the Long Term Financial Strategy. This process has guided the preparation of the Annual Budget.

Budget Process

Under the Act, Council is required to prepare and adopt an annual budget for each financial year. The budget is required to include certain information about the rates and charges that Council intends to levy as well as a range of other information required by the Regulations which support the Act.

The preparation of the budget begins with Officers preparing the operating and capital components of the budget during January and February, including submissions that have been identified by officers and Councillors during the year.

The various components of the budget are then prepared and discussed with Council at informal briefings during March and April. A proposed budget is then prepared in accordance with the Act and the following steps followed to review and adopt the budget in June:

Step 1: Officers to prepare the annual budget in accordance with the Act and submit the “proposed” budget to Council for approval in “principle”.

Step 2: Council is then required to give 28 days notice of its intention to adopt the proposed budget and make the budget available for inspection at its offices.

Step 3: Individuals have the right to make a submission on any proposal contained in the budget and any submission must be considered before adoption of the budget by Council.

Step 4: Council is to formally adopt the budget after receiving and considering any submissions from interested parties.

The budget is required to be adopted by 30 June 2016.

The 2016/17 budget, which is included in this report, is for the year 1 July 2016 to 30 June 2017, and is prepared in accordance with the Act and Regulations. The budget includes standard statements:

- Budgeted Comprehensive Income Statement
- Budgeted Balance Sheet
- Budgeted Statement of Changes in Equity
- Budgeted Statement of Cash Flows
- Budgeted Statement of Capital Works

These statements have been prepared in accordance with Australian Accounting Standards, “Financial Reporting by Local Governments”, and other mandatory professional reporting requirements and in line with the Act and Regulations.

This report also includes detailed information about the rates and charges to be levied, and other financial information, which Council requires in order to make an informed decision about the adoption of the budget.

The budget includes consideration of a number of long term strategies to assist Council in considering the Budget in a proper financial management context. These include:

- Strategic Resource Plan for the years 2017/18 to 2019/20
- Rating Strategy
- Borrowing Strategy

OUR MUNICIPALITY

HISTORY

The municipal district of the City of Ballarat (historical spelling) was first created in 1856, followed shortly by the creation of the City of Ballarat East in 1857.

These two municipalities merged in 1921 to form the City of Ballarat. The City was surrounded by the Borough of Sebastopol and the Shires of Buninyong, Grenville, Bungaree and Ripon.

The present City of Ballarat was created by an Order of Parliament on 6 May 1994 under the Victorian Local Government Act and is the amalgamation of the previous Shire of Ballarat, City of Ballarat, the Borough of Sebastopol, and parts of the shires of Bungaree, Buninyong, Grenville and Ripon.

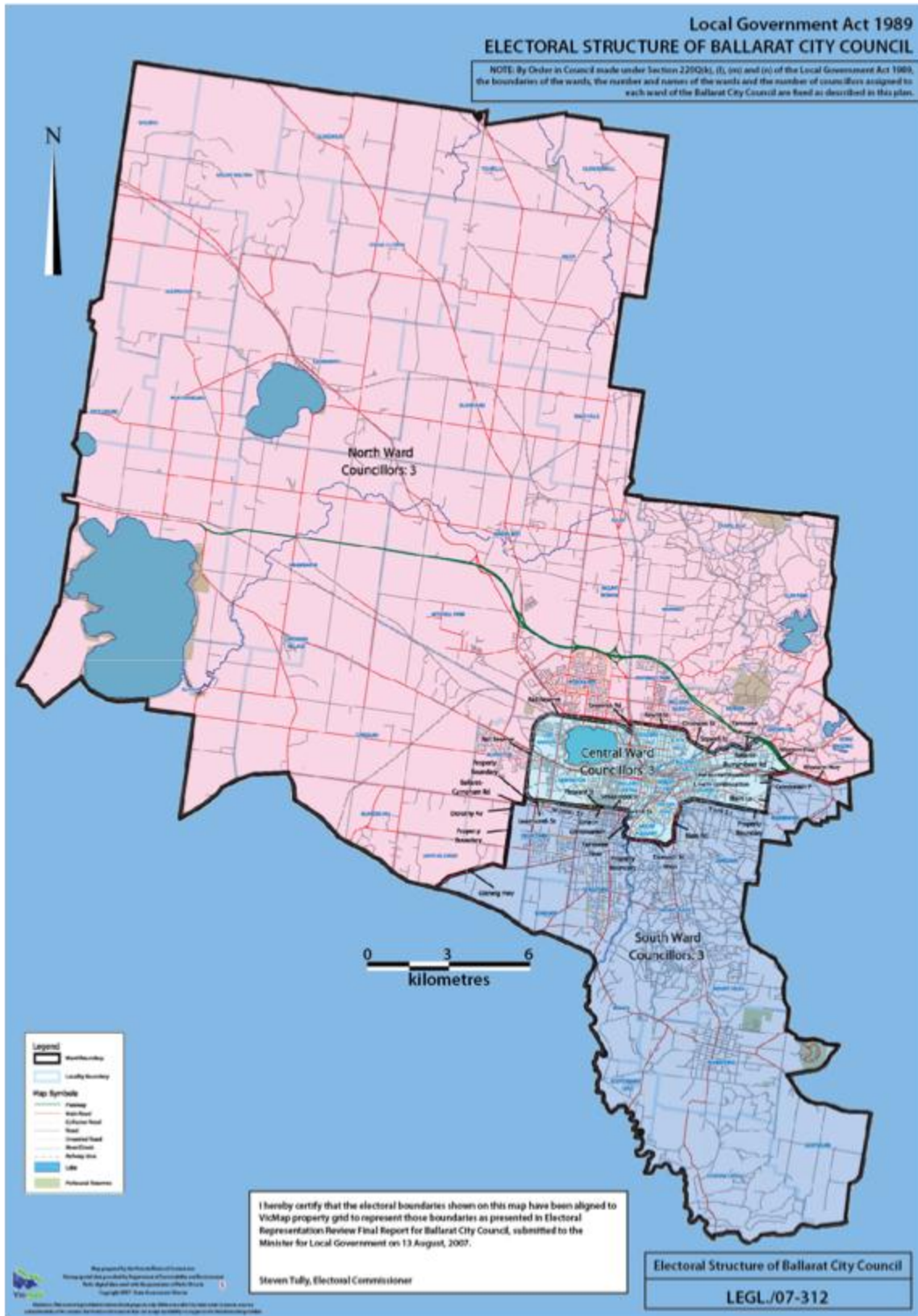
WARDS

From 1996 to 2008 the municipality was divided into nine electoral wards, each represented by a single councillor.

During the 2006-07 financial year the Victorian Electoral Commission conducted a review of the electoral structure of the City of Ballarat and recommended, in the interests of fair and equitable representation, that the municipality be restructured into a three-ward electorate (North, Central and South wards), each represented by three councillors. The Minister for Local Government accepted the commission’s recommendation and the transition to this new electoral structure occurred at the general election held on Saturday 29 November 2008. The second general election held under this structure occurred on Saturday 26 October 2012.

LOCATION

The City of Ballarat adjoins the municipalities of Moorabool Shire (to the east) which separates Ballarat from the outer suburbs of Melbourne; Hepburn Shire (to the north); Pyrenees Shire (to the west); and Golden Plains Shire (to the south) which separates Ballarat from Geelong.



Our Profile

Ballarat is one of Australia's leading regional cities, with its unique and compelling combination of strategic location, high liveability, a rich and proud history, a welcoming community and the infrastructure of a capital city.

Ballarat is currently the fastest growing Victorian regional centre and planning for significant projected population growth is well advanced, to ensure we maintain our enviable liveability while providing for a strong social and economic future.

LOCAL HISTORY

The City of Ballarat's total land area is just under 740 square kilometres and is part of an area of land under the traditional custodianship of the Wathaurong tribe. It is generally accepted that the origin of the name Ballarat came from two aboriginal words signifying a camping or resting place – "balla" meaning "elbow" or "reclining on the elbow" and "arat" meaning "place". Over many centuries the Wathaurong people lived in an area that stretched from Ballarat to Victoria's southern coastal area near Lorne, to the Werribee River. Today approximately 1,200 indigenous descendants live in the Ballarat area.

LIVEABILITY

Ballarat offers a compelling combination of lifestyle and location as well as world-class health and educational facilities. It is one of Australia's largest inland cities, offering the distinct advantage of having the infrastructure of a capital city with the lower cost base of a regional centre. Ballarat boasts all the artistic and cultural wealth that comes with its spectacular rise from a humble mining settlement to a world famous city with elegant architecture, broad tree-lined streetscapes and unique lifestyle. A vibrant café precinct and boutique retail add to the city's unique liveability. It is for these reasons that so many people are choosing to relocate to Ballarat.

POPULATION AND GROWTH

As population growth puts an increasing strain on capital cities, well-planned and resourced regional cities such as Ballarat provide a perfect alternative to increased urban sprawl and decreased housing affordability. Ballarat is currently the fastest growing Victorian regional centre with an annual growth rate of 1.95%. According to the 2011 Census, Ballarat's population is 95,007 and close to 2,000 new residents are choosing to move to the city each year as we rapidly approach 100,000 people. Conservative future estimates indicate that the city will increase by an additional third by 2026.

This significant annual growth rate figure, similar to that being experienced in Melbourne, is driving Council's planning. Council will continue to focus on the implications of growth and planning for how growth can be focussed in the optimal way to ensure the strengths of the Ballarat community are maintained from both an economic and social perspective. This will see Ballarat remain as an attractive and affordable alternative, providing all the services and facilities expected from a capital city but with a more relaxed lifestyle.

The Ballarat West Urban Growth Zone has been identified as the area that contains the key growth precincts for Ballarat that will cater for primarily residential growth and provide services and infrastructure for new communities. The zone comprises 1,717 hectares of vacant land located to the west of Alfredton, Delacombe and Sebastopol. It will provide around 18,000 new houses at full development to

accommodate Ballarat’s projected expanding population. It will also have the roads, schools, parks and community centres needed by the new communities.

Situated nearby the growth area, the Ballarat West Employment Zone (BWEZ) is an ideal site for future industry and employment activity. Through careful and responsive planning, BWEZ will create jobs, improve transport connections, generate investment and further enhance Ballarat as a growing and thriving regional centre. At full development BWEZ will accommodate up to 9,000 jobs and inject \$5 billion annually into the Ballarat economy.

	2006	2011	2016	2026	2031	2038	Ave Growth PA
VIF PLANNING BASELINE 1.4%	88,440	95,490	102,400	118,133	122,400	127,830	1.4%
MODERATE GROWTH SCENARIO 1.7%	88,440	96,930	105,210	121,490	128,720	135,340	1.7%
STRONG GROWTH SCENARIO 2.1%	88,440	98,720	108,720	128,190	136,810	144,730	2%

INDUSTRY

Ballarat has traditionally been a city that prospered on mineral and agricultural based resources, however this has changed over time with healthcare and social assistance (17.7%), retail trade (13.7%) and education and training (10.6%), all now key employment sectors in our city. These industries, along with professional, scientific and technical services are strengthening Ballarat’s role as a regional service hub.

Ballarat continues to positively contribute to Victoria’s strong growth in the information, communication and technology sector. Information technology is emerging as a significant industry within the region with strategic partnerships developing between the local ICT sector, tertiary institutions and industry partners, increasing Ballarat’s importance as a knowledge centre within Victoria. The rollout of the National Broadband Network provides a significant economic growth opportunity to business within our region and will improve connectivity and engagement with disadvantaged sections within our community.

Industry Sector	Jobs	%
Health Care & Social Assistance	6,849	17.70%
Retail Trade	5,299	13.70%
Manufacturing	4,646	12.00%
Education & Training	4,101	10.60%

EDUCATION AND HEALTH

Education is valued by the community and Ballarat offers an extensive range of quality public and private education options. There are good choices at all educational levels, including two universities and several other centres that provide learning opportunities for adults. Lifelong learning is also encouraged through a network of community-based learning organisations as well as the library services. Ballarat families have access to a large range of childcare options and aged residential care choices. Two major hospitals with more than 1,000 public and private hospital beds, nursing and hostel beds, a day procedure complex and more than 100 general medical practitioners are located in Ballarat to cater for the health needs of the community.

TOURISM

Ballarat is a major international and domestic tourist destination, attracting nearly two million visitors each year who boost the economy by over \$409 million per annum and support more than 2,000 jobs. It is one of regional Victoria's most diverse tourism destinations where the beauty of the central highlands, the rich goldfields heritage and vibrant community events come to life. It is also a gateway to the many attractions of western Victoria.

ARTS, CULTURE AND HISTORY

Arts, culture and history continue to be important to Ballarat and its sense of identity. It has a rich history and heritage with deep roots and connections across Australian society. Ballarat is home to the spirit of Eureka and the birthplace of Australian democracy. This legacy of an independent spirit remains strong. The gold rush transformed Ballarat and today that heritage is still evident in the striking streetscapes that are the envy of the rest of the country.

SPORT AND RECREATION

Sport and recreational facilities are plentiful in the municipality. Ballarat residents can choose to relax or exercise at one of the five aquatic facilities, 147 neighbourhood parks, 45 sportsgrounds, 35km of walking trails and cycling paths, or nine golf courses in the region.

OUR COUNCIL

Ballarat City Council is a public statutory body constituted under the Local Government Act 1989. The Act determines the purposes and objectives of Council and defines a number of functions and powers which Council is required to undertake in order to provide leadership and good governance for the municipal district and the local community. It is also responsible for determining the organisation's direction and overseeing its performance on behalf of the Ballarat community.

CURRENT MUNICIPALITY

The municipality of the City of Ballarat is divided into three municipal electorate wards, each represented by three councillors. Councillors are elected for a four-year term unless as the result of a by-election.

CURRENT COUNCILLORS

Nine councillors were elected at the general municipal election held on 27 October 2012. Cr John Burt was elected Mayor and Cr Samantha McIntosh was elected Deputy Mayor for the first year of the new Council. Three councillors were re-elected: Cr Samantha McIntosh, Cr John Philips and Cr Des Hudson.

Cr Glen Crompton was elected to Council in July 2014 following the resignation of Mr John Burt. Cr Jim Rinaldi was elected to Council in February 2015 following the resignation of Mr Joshua Morris.

City of Ballarat - Councillors

SOUTH WARD

PEOPLE & COMMUNITIES PORTFOLIO



Cr Des Hudson (MAYOR)
Elected 18 March 2002
(03) 5320 5528
deshudson@ballarat.vic.gov.au

GROWTH & DEVELOPMENT PORTFOLIO



Cr Jim Rinaldi
Elected February 2015
0407 325 693
jjmrinaldi@ballarat.vic.gov.au

DESTINATION & ECONOMY PORTFOLIO



Cr Peter Innes (Deputy Mayor)
Elected 27 October 2012
0407 539 683
peterinnes@ballarat.vic.gov.au

CENTRAL WARD



Cr Belinda Coates
Elected 27 October 2012
0417 456 513
belindacoates@ballarat.vic.gov.au



Cr Glen Crompton
Elected July 2014
0409 934 796
glencrompton@ballarat.vic.gov.au



Cr Samantha McIntosh
Elected 29 November 2008
0458 004 880
samanthamcintosh@ballarat.vic.gov.au

NORTH WARD



Cr Vicki Coltman
Elected 27 October 2012
0418 357 712
vickicolman@ballarat.vic.gov.au



Cr John Philips
Elected 21 March 2008
0417 388 706
johnphilips@ballarat.vic.gov.au



Cr Amy Johnson
Elected 27 October 2012
0417 018 369
amyjohnson@ballarat.vic.gov.au

Significant Influences

The preparation of the 2016/17 budget required consideration of a number of significant influences being:

- Introduction of a Rate Cap
- The Enterprise Bargaining Agreement
- Provision for future calls for funding relating to the Defined Benefits Superannuation.
- Future growth of the municipality.
- Indexation of the Ballarat West Developers Contributions Plan
- Ageing infrastructure.

Budget Principles

In response to influences, guidelines were prepared and distributed to all Council officers with budget responsibilities. The guidelines set out the key budget principles upon which the officers were to prepare their Business Plans and Budget.

The process of determining the 4-year recurrent budget has been a significant undertaking across the organisation. All budgets have been developed in conjunction with detailed business plans that capture every activity associated with providing services. This process was undertaken within the scope of the Long Term Financial Strategy (LTFS) and links directly to the financial objectives of the Council.

The key budget principles upon which the organisation prepared the 2016/17 budget included:

- Identification of Community Plan Priorities and Strategies, Council Plans and Strategies that drive the delivery of the activity
- Analysis of the rationale for providing the activity. This particularly examines the community need that each service fulfils, links to legislative requirements to provide services and whether the service can be provided by another organisation or mode of delivery.
- Analysis of resources required over the next five years, this includes staff, equipment etc.
- Existing fees and charges to be set at the medium range for the state and/or increased at 2.5%.
- As a result of the Rate Cap Variation future funding for infrastructure works has not been forecast to increase into the future.
- Total of Employee Costs and Materials & Contracts to be capped at 3%.
- Rate increase to be set at the Rate cap plus an additional amount if determined by the Essential Services Commission.

How is the 2016/17 Budget Structured?

A number of challenges faced the Council in formulating the 2016/17 budget. Council was aware of the financial pressures on the community, whilst being aware of these pressures Council is aware of the financial liabilities facing the Council dealing with future growth, the delivery of services required by the community, and the maintenance of community assets.

When formulating a Council budget, the demands placed on Council always exceed the revenue available to the Council. 2016/17 is no different in relation to this. Over the next 20 years there is currently a backlog of projects totalling in excess of \$84 million, this is in addition to the \$1.3 billion of works that is scheduled to be delivered over the next 20 years.

In addition to the demand for projects, the growth in Ballarat West has bought forward another set of financial liabilities. Under the Developers Contribution Plan Council is liable for approximately \$60 million in infrastructure in dealing with that growth. Over the next 10 years the majority of the infrastructure is required with a significant amount of income due under the Plan not expected to be received until the following 10 years.

This has resulted in Council having a significant cashflow shortage over the next 10 years. The only option available to Council was to embark on an aggressive borrowing program over the next few years. Council put together a new twenty (20) year Long Term Financial Strategy to ensure the long term financial stability of the Council.

Council proposes to borrow \$21 million over the next 5 years, raising the Council's debt levels to a maximum of \$69 million. Though debt will rise in the short-term, it is anticipated that Council's debt, at the end of this twenty (20) year strategy, will be reduced back to \$5.6 million in year 20.

Is Council's debt excessive?

To determine how much debt is too much it is essential to compare debt levels to such things as total debt, level of debt to rate revenue, or debt to total revenue. Council's debt, at the maximum level, compared to rate revenue, will be 54%. The average household debt compared to with annual income was approximately 180% in December 2013. The source of these figures is Australian National Accounts: Financial Accounts, December Quarter 2013 (ABS cat. no. 5232.0); Australian National Accounts: National Income, Expenditure and Product, December Quarter 2013 (ABS cat. no. 5206.0)

What Does the Budget Deliver?

The services/projects a Council delivers can be categorised into three (3) components.

1. Those services that are utilised by the community every day.
2. Maintenance of community assets.
3. Provision of new community assets for future growth.

Council provides in excess of 100 services that will be utilised by a section of the community each day. These are:

SERVICING BALLARAT

Every day, the City of Ballarat is working to deliver more than 100 services to the community. Your rates fund these essential programs and we believe they are the core work of Council. The City of Ballarat's community services include:

After Hours Environmental and
Public Health Emergency Service
Animal Control services
Art Gallery of Ballarat
Arts and Culture
Asset Management
Backspace Gallery
Ballarat Airport management
Ballarat Aquatic and Lifestyle Centre
Ballarat Botanical Gardens – Conservatory,
Robert Clark Centre
Ballarat Heritage Advisory Service
Ballarat Regional Tourism
Bicycle paths
Bridges
Building Permits
Buninyong Botanic Gardens
Business Investment Facilitation
Cemetery management
Childcare
Citizenship Ceremonies
City of Ballarat social media – facebook,
twitter and instagram
City of Ballarat website ballarat.vic.gov.au
Community Awards
Community Events
Community Grants
Community Halls
Community Policy and Development
Community Safety
Community Services
Cultural Diversity
Customer Service
Deaf Access
Disability Services
Drains, Kerb and Channel

Economic Development
Engaging Communities Program
Environment
Environmental Health
Events Management
Family and Children's Services
Facility Maintenance
Family Day Care
Fire Prevention and control
Girrabanyya Centre for Children and their
Families
Graffiti Removal
Her Majesty's Theatre
Home and Community Care Services
Immunisation
Infrastructure Delivery
Kindergartens
Kohinoor Community Centre and programs
Lake Burrumbeet
Lake Esmond
Lake Learmonth
Lake Wendouree
Library Services – Sebastopol, Wendouree,
Ballarat and Outreach Library Van
Local Laws
M.A.D.E
Major projects
Maternal and Child Health
Meals on Wheels
Multicultural Services
Municipal Building Surveyor and Building
Services
Municipal Emergency Management
MyBallarat community magazine
New Residents Program
New subdivisions

Neighbourhood Planning and Engagement
Occasional Child Care
Outdoor Swimming Pools and Water Play
Parent Place
Parking
Parks and Gardens
Pet registrations
Planned Activity Groups
Planning Framework, Amendments,
Approvals and enforcement
Playgroups
Playspaces
Positive Ageing
Property leasing and licensing
Public Art
Public Toilets
Rates and Property valuations
Risk management
Roads
RuralAccess
School Crossings
Senior Citizens' Centres and Services
Sport and Recreation Planning and
Management
Statues and monuments
Statutory Planning
Strategic Planning
Street cleaning, furniture and lighting
Street trees – arboriculture services
Sustainability
Traffic management and amenity
Trees
Volunteers
Waste and recycling collection
Wendouree Children's Services
Youth Services

The Council Plan 2013 – 2017 lays out the direction and principles for the delivery of services/projects for the community. The Council has categorised the delivery of these services/projects into the following categories:

1. SERVICING Ballarat
2. MAINTAINING Ballarat
3. BUILDING Ballarat
4. CLEAN Ballarat

The resource and activities committed in each of these categories include:

SERVICING Ballarat	2016/17
	\$
Expenses	
Employee Costs	42,441,983
Materials and Services	39,494,617
Internal Charges - Exp	2,597,641
Other Expenses	598,604
Borrowing Costs	2,343,000
Bad and Doubtful Debts	514,997
Capital Works	8,487,128
	96,477,970
Income	
Grants Operating	23,730,187
User Fees	20,612,911
Statutory fees and fines	2,790,457
Other Income	2,304,261
Internal Charges - Inc	4,732,809
	54,170,625
Amount required from rate, charges, and cash reserves	42,307,345

Expenditure	2016/17
SERVICING Ballarat Activities	\$
Recurrent Operations	
Ballarat Aquatic & Lifestyle Centre	5,823,421
Outdoor Pools	629,023
Finance Operations	2,657,848
Information Services	4,280,491
Occupational Health & Safety	724,237
People & Culture	1,275,648
Risk Management	1,657,022
Whole of Organisation	6,218,004
CEO	837,311
Governance & Administration	1,590,912
Major Projects	3,208,859
Mayor & Councillor Support	1,310,082
Policy & Project Strategist	1,345,964
Building	488,761
City Services	2,098,122
Community Amenity	4,399,624
Environmental Services	1,126,396
Infrastructure Design & Delivery	678,129
Property Management	1,440,521
Art Gallery Ballarat	2,578,053
Arts & Culture	698,078
Ballarat Regional Tourism	3,727,154
City Strategy	3,657,557
Community Events	1,735,052
Economic Development	1,740,867
Her Majesty's Theatre	1,657,647
M.A.D.E.	1,055,752
Statutory Planning	1,864,424
Community Care & Access	7,969,190
Community Development	1,903,822
Family and Children Services	10,129,176
Learning & Diversity	5,093,020
Municipal Emergency Management	478,520
Peoples & Communities	509,175
Recreation	1,402,980
Capital Works	
BAC Programmable Assets & Equipment	200,000
Ballarat Botanical Gardens - Asset Renewal Program	60,000
Bicycle Paths	105,600
Bicycle Strategy Projects	260,000
Desktop Replacement Program	476,550
Drainage Projects	811,000
Home carers - Hand Held PDA	51,250
IT Infrastructure	509,500
IT System Development	800,000
Library Books	371,315
Outdoor Pools	138,580
Parking Meter Replacement Program	80,000
Playground Improvement Program	60,000
Playspace Planning Framework	277,160
Recreation Capital Improvement Program	4,264,000
School Crossing Supervisor Shelters	22,173
	96,477,970

MAINTAINING Ballarat	2016/17
	\$
Expenses	
Employee Costs	11,516,222
Materials and Services	13,279,680
Depreciation and Amortisation	32,648,815
Carry Amount of Assets Sold	384,375
Internal Charges - Exp	5,502,785
Capital Works	20,148,944
	83,480,821
Income	
Statutory fees and fines	238,000
User Fees	222,650
Other Income	11,841
Proceeds From Sale of Plant & Equip	384,375
Internal Charges - Inc	4,935,482
	5,792,348
Amount required from rate,charges, and cash reserves	77,688,473

Expenditure	2016/17
MAINTAINING Ballarat Activities	\$
Recurrent Operations	
Financial Operations	117,221
Fleet Management	380,482
Whole of Organisation	33,033,190
City Services	24,271,689
Facilities	4,217,433
Growth & Development	383,889
Infrastructure Design & Delivery	927,973
Capital Works	
Bridge Rehabilitation	210,000
Bus Shelter repair and replacement	160,000
City Entrances	162,240
Facility Renewal Program	2,602,000
Federal Blackspot Funding	1,000,000
Federal Roads to Recovery Funding	1,000,000
Footpath Works	540,000
Kerb and channelling	440,000
Lake Wendouree Infrastructure Works	100,000
Major Rural Roads Infrastructure Works	1,235,187
Median Strip Landscaping Project	102,500
Minor Road improvements /upgrades	1,153,000
Monument Renewal Program	110,864
Parks Development Program	288,246
Plant Replacement Program	3,204,970
Road Renewal	7,571,141
Street Furniture Renewal Program	166,296
Street Irrigation Project	102,500
	83,480,821

BUILDING Ballarat	2016/17
	\$
Expenses	
Employee Costs	3,545,188
Materials and Services	4,434,473
Internal Charges - Exp	643,825
Capital Works	30,723,855
	39,347,341
Income	
Grants Capital	2,000,000
Contributions Monetary	2,182,000
Contributions Non-Monetary	20,572,247
Statutory fees and fines	490,000
Other Income	6,600
Internal Charges - Inc	5,771,829
	31,022,676
Amount required from rate, charges, and cash reserves	8,324,665

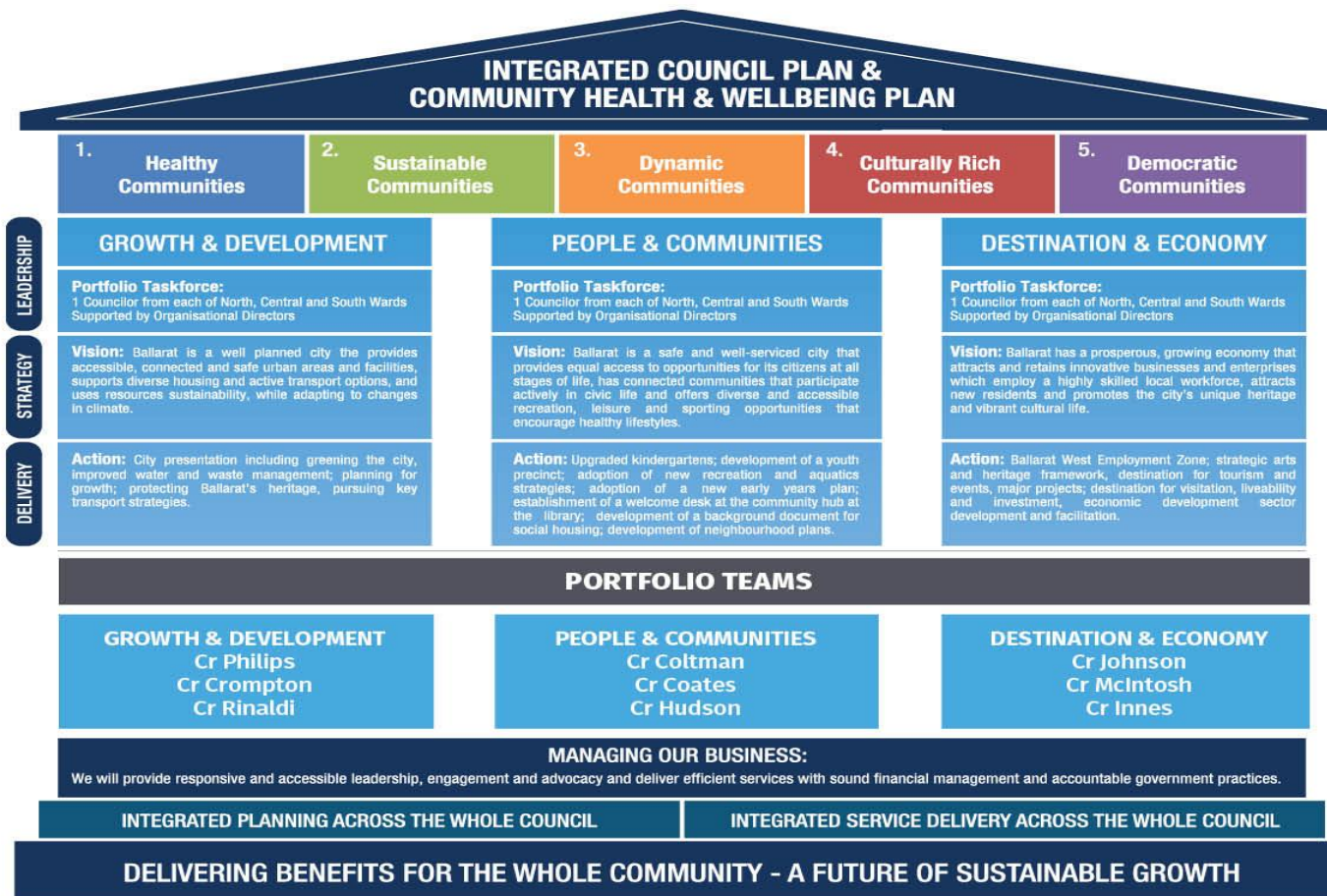
Expenditure	2016/17
BUILDING Ballarat Activities	\$
Recurrent Operations	
Major Projects	1,344,201
Infrastructure Design & Delivery	7,279,285
Capital Works	
Land Development Council Contribution	100,000
Major New Capital Road Projects	512,500
Public Art Program	110,864
Subdivision Contribution	11,897,600
DCP Construction	4,196,142
DCP Construction - Council Commitment	3,284,830
DCP Construction-WIK	8,389,119
DCP-Land-WIK	2,232,800
	39,347,341

CLEAN Ballarat	2016/17
	\$
Expenses	
Employee Costs	2,869,528
Materials and Services	9,232,738
Internal Charges - Exp	1,187,926
Other Expenses	780,000
Capital Works	2,343,678
	16,413,870
Income	
User Fees	4,210,265
	4,210,265
Amount required from rate, charges, and cash reserves	12,203,605

Expenditure	2016/17
CLEAN Ballarat Activities	\$
Green Waste	998,567
Smythesdale Landfill	5,643,088
Strategic Waste, Water & Energy	507,640
Street Cleaning	1,062,908
Waste Services	4,603,671
Water Ways	1,052,325
Whitehorse Road Landfill	201,993
Capital Works	
Landfill Upgrade	2,000,000
Public Place Recycling	11,086
Replacement Bins Program	332,592
	16,413,870

The delivery of these services is carried out by three (3) portfolio areas of Council. These are:

City of Ballarat - Council Structure



Link to Council Plan

Section 127 of the Local Government Act (1989) requires Councils to identify Key Strategic Activities for the financial year and performance targets and measures in relation to each key strategic activity. Councils must also describe the activities and initiatives to be funded in the budget.

This section describes how the Annual Budget links to the achievement of the Council Plan within an overall planning and reporting framework. This framework guides the Council in identifying community needs and aspirations through the Council Plan and Annual Budget, and then holding itself accountable via the Annual Report.

Planning and Accountability Framework

The Annual Budget has been developed within an overall planning framework, which guides the Council in identifying community needs and aspirations over the long term (Ballarat Strategy), medium term (Council Plan) short term (Annual Budget) and then holding itself accountable (Audited Statements).

The Strategic Resource Plan, which is created alongside the Budget summarises the financial and non-financial impacts of the objectives and strategies and determines the sustainability of these objectives and strategies. The Annual Budget is then framed within the Strategic Resource Plan, taking into account the objectives and initiatives included in the Annual Budget which contribute to achieving the strategic objectives specified in the Council Plan. The diagram below depicts the strategic planning framework of the City of Ballarat.

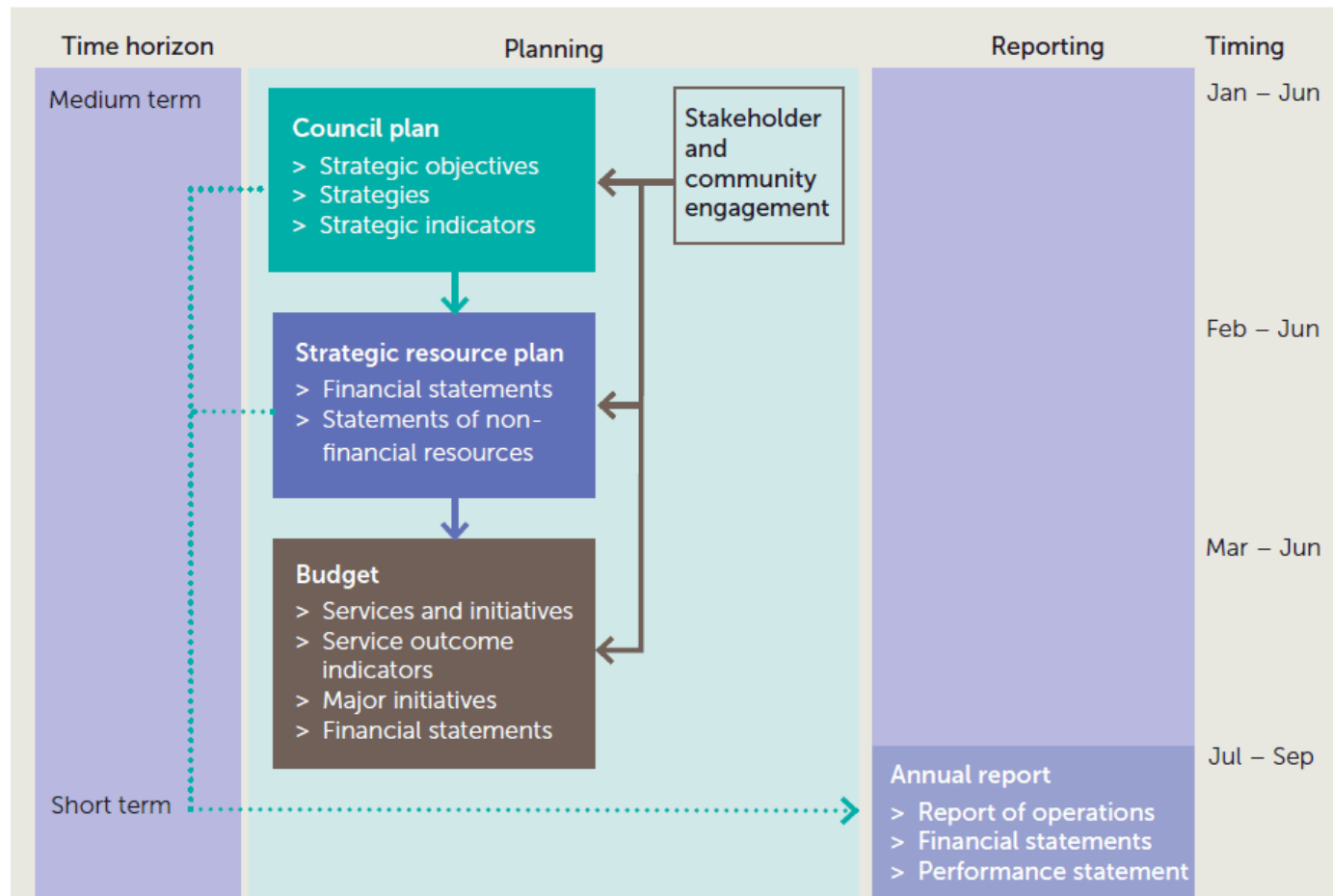
The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes. The Council Plan, including the Strategic Resource Plan, is required to be completed by 30 June following a general election and is reviewed each year in advance of the commencement of the Annual Budget process.

In addition to the above Council is developing a new long-term vision and strategy – The Ballarat Strategy will focus on sustainable growth and development, infrastructure investment and the health and wellbeing needs of the Ballarat community to ensure a high standard of liveability into the future.

The new Ballarat Strategy will address an emerging gap in the long-term planning for Ballarat's future – this gap is the result of Ballarat's greater than expected population growth in the past decade and strong projected population growth over the next 25 years.

2016/17 Budget

The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes. The Council Plan, including the Strategic Resource Plan, is required to be completed by the 30th June following a general election and is reviewed each year



Our Purpose

Leading sustainable growth, strengthening our community and respecting our heritage

The Ballarat City Council seeks to create a strong vibrant community, one which respects the foundations and heritage of the city whilst fostering growth essential for the community to grow and prosper.

The Council plan outlines the framework and strategies including the health and wellbeing outcomes for the organisation to support this purpose.

Principles of Practice

The Principles of Practice (sometimes known as the Mission Statement) are statements that articulate the values of Council and what principles and actions it will adopt in its decision making and conduct of business with the community and other stakeholders to achieve its Strategic Purpose.

Council will undertake its commitment to the community to achieve the Strategic Purpose by adhering to the following value-based principles.

1. Demonstrate clear, decisive, and consistent direction
2. Be financially responsible
3. Demonstrate to the community a transparent and consultative approach to key decisions
4. Advocate for Council's priorities and form partnerships to deliver the projects
5. Foster innovation and creativity in the delivery of results
6. Review core Council services in the context of our strategic intent
7. Bring rigour and an evidence-based approach to decision making

Strategic Objectives

Council delivers services and initiatives under 29 major service categories. Each contributes to the achievement of one of the six Strategic Objectives as set out in the Council Plan for the years 2013-17. Council has constructed the delivery of services under four major pillars. These being:

1. Growth and Development
2. People and Communities
3. Destination and Economy
4. Managing Our Business

STRATEGIC OBJECTIVES – GROWTH AND DEVELOPMENT

Plan for the future growth and development of Ballarat... through integrated land use initiatives and environmental, transport and community planning initiatives

Increase physical activity, social connection and access to services... through urban planning and by developing Ballarat’s built environment

Promote and pursue improved waste, water and energy management... by exploring green waste solutions, reducing waste to landfill and implementing stormwater harvesting solutions



Protect and improve the quality and character of the City’s presentation... by applying sustainable planning and management practices to the public realm and undertaking an increased ‘Greening the City’ program



Increase amenity... through infrastructure renewal of physical, environmental and recreational assets, including Ballarat’s valuable heritage features

Improve Ballarat’s active transport modes... through integrated transport planning and by developing infrastructure that supports active transport



Address priority public health measures such as problem gambling and alcohol consumption... through appropriate regulatory and policy measures within the Ballarat Planning Plan



Continue to protect the health of Ballarat citizens... by proactively managing environmental health, building safety and health regulation programs

Provide for a wide range of housing choice, diversity, form and affordability... through greater emphasis on planning outcomes



Recognise and respond to climate change... by implementing appropriate adaptation measures



STRATEGIC OBJECTIVES – PEOPLE AND COMMUNITIES



Encourage people to actively participate in community life... through community development and capacity building initiatives



Support the health and wellbeing, lifelong learning and cultural needs of people at all stages of their lives... by delivering targeted programs and services

Plan for the health and wellbeing needs of the community... through social research, social planning and community engagement opportunities



Facilitate personal and community safety... through appropriate planning and design, and regulatory measures, including adaptation for climate change



Support and facilitate physical activity and community connectedness... by providing diverse and accessible sporting and recreational infrastructure



Create resilient communities... that are able to protect life, property and the environment in emergency situations



Support the health and wellbeing of residents... by providing a variety of health prevention and promotion initiatives



STRATEGIC OBJECTIVES – DESTINATION AND ECONOMY



Promote sustainable economic development... to strengthen local communities and businesses and increase productivity and innovation



Initiate and support major infrastructure projects... that contribute to a prosperous economy

Improve Ballarat's tourism product... to foster competitiveness and sustainable outcomes



Foster a diverse arts and culture sector... that contributes to a vibrant community



Support festivals and community events... to celebrate diversity and cultural expression and provide opportunities for community participation



STRATEGIC OBJECTIVES – MANAGING OUR BUSINESS



Practise good governance and act with integrity, accountability and transparency

Provide effective lobbying and advocacy on behalf of the city

Provide regional leadership and collaborate with other organisations

Strengthen community engagement and participation in decision making,

Improve communication of Council information



Deliver Council services with a strong customer service focus

Establish and implement strategies to guide sustainable practice and development within Council



Ensure Council's exposure to climate change and carbon trading risks is minimised

Ensure Council services and projects are programmed within a sound financial management and reporting system



Position City of Ballarat as a healthy, safe workplace and an Employer of Choice

Facilitate change and continuous improvement by providing staff learning and development opportunities

Ensure information and systems are secure and available for use by the organisation

To view the major initiatives, initiatives, and services performance outcome indicators please refer to the Council Plan.

Rates and Charges

This section presents information about rates and charges which the Act and the Regulations require to be disclosed in the Council's annual budget.

Differential rates

Rates to be levied

Each differential rate will be determined by multiplying the Capital Improved Value of rateable land (categorised by the characteristics described below) by the relevant percentages (refer to the strategic resource plan for the percentages).

Council believes each differential rate will contribute to the equitable and efficient carrying out of council functions. Details of the objectives of each differential rate, the types of classes of land which are subject to each differential rate and the uses of each differential rate are set out below.

The existing rating structure comprises 5 differential rates (residential, commercial, industrial, rural residential, and farm) and a rate concession for recreational land 1.

RESIDENTIAL

Classification

Rateable property which is used for private residential purposes, including but not limited to houses, dwellings, flats, units and private boatsheds, together with vacant unoccupied land, not covered by another differential, BUT excluding motels, caravan parks, supported accommodation, accommodation houses, boarding houses and the like.

Reasons for the Use and Level of Rate

The rate reflects the level of service provided and ensures that reasonable rate relativity is maintained between residential property and other classes of property.

COMMERCIAL

Classification

1. Rateable property used or adapted to be used for business and/or administrative purposes, including but not limited to properties used for:
 - (a) the sale or hire of goods by retail or trade sales, eg shops, auction rooms, hardware stores;
 - (b) the manufacture of goods where the goods are sold on the property;
 - (c) the provision of entertainment, eg theatres, cinemas, amusement parlours, nightclubs;
 - (d) media/broadcasting/communication establishments, eg television stations, newspaper offices, radio stations and associated facilities;
 - (e) the provision of accommodation other than private residential, eg motels, caravan parks, camping grounds, camps, supported accommodation, accommodation houses, hostels, boarding houses;
 - (f) the provision of hospitality, eg hotels, bottle shops, restaurants, cafes, takeaway food establishments, tearooms;
 - (g) tourist and leisure industry, eg flora and fauna parks, gymnasiums, indoor sports stadiums, gaming establishments (other than those classified under Recreational 2);
 - (h) art galleries, museums;
 - (i) showrooms, eg display of goods;
 - (j) brothels;
 - (k) Commercial storage (mini storage units, wholesale distributors).
 - (l) religious purposes;
 - (m) public offices;
 - (n) halls for commercial hire;
 - (o) Mixed businesses/milkbars (those operating in residential type zones under the Ballarat Planning Plan and non conforming residential/milkbar properties within industrial zones under the Ballarat Planning Plan, with attached residences, occupied as the principal place of residence of the person(s) operating the mixed business/milkbar component of the rateable property, will have the residential portion rated as Residential).
2. Properties used for the provision of health services, including but not limited to properties used for hospitals, nursing homes, rehabilitation, medical practices and dental practices.
3. Properties used as offices, including but not limited to properties used for legal practices, real estate agents, veterinary surgeons, accounting firms and insurance agencies.
4. Rateable properties which are vacant unoccupied land and zoned or intended to be used for commercial purposes.

Reasons for the Use and Level of Rate

The rate reflects the level of service provided and ensures that reasonable rate relativity is maintained between commercial and other classes of land. The differential is higher than for other classes of land for a number of reasons, including:

- Business rates are tax deductible;
- Rates tend to be a lower order factor in business investment decisions.

INDUSTRIAL

Classification

1. Rateable properties which are used primarily for manufacturing processes, including, but not limited to the following:

- (a) the manufacture of goods, equipment, plant, machinery, food or beverage which are generally not sold or consumed on site;
- (b) warehouse/bulk storage of goods;
- (c) the storage of plant and machinery;
- (d) the production of raw materials in the extractive and timber industries;
- (e) the treatment and storage of industrial waste materials.

2. Rateable properties which are vacant unoccupied land and zoned or intended to be used for industrial purposes.

Reasons for the Use and Level of Rate

The rate reflects the level of service provided and ensures that reasonable rate relativity is maintained between industrial and other classes of land. The differential is higher than for other classes of land for a number of reasons, including:

- Business rates are tax deductible
- Rates tend to be a lower order factor in business investment decisions;

FARM

Classification

Farm Land means any rateable land -

- (a) that is not less than 2 hectares in area; and
- (b) is used for carrying on a business of primary production as determined by the Australian Taxation Office; and
- (c) that is used primarily for grazing (including agistment), dairying, pig farming, poultry farming, fish farming, tree farming, bee keeping, viticulture, horticulture, fruit growing or the growing of crops of any kind or for any combination of those activities; and
- (d) that is used by a business -
 - (i) that has a significant and substantial commercial purpose or character; and
 - (ii) that seeks to make a profit on a continuous or repetitive basis from its activities on the land; and
 - (iii) that is making profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way that it is operating.

In consideration the Council will take into account:

- Whatever activity is being conducted on a property, it must be a business of primary production as opposed to a hobby or recreational activity.

Reasons for the Use and Level of Rate

The farm rate is lower than for other classes of land because farming operations involve large properties which have significant value and which are often operated as family concerns. Agricultural producers are unable to pass on increases in costs like other businesses. Farm profitability is affected by the vagaries of weather and international markets. In this sense farms are seen to be more susceptible or fragile than other commercial and industrial operations.

RECREATIONAL

Classification

Rateable property which is used primarily for cultural, recreational or club purposes.

Recreation 1

Recreational land is defined as follows:

- (a) lands which are -
 - (i) vested in or occupied by any body corporate or unincorporated which exists for the purpose of providing or promoting cultural or sporting recreational or similar facilities or objectives and which applies its profits in promoting its objects and prohibits the payment of any dividend or amount to its members; and
 - (ii) used for sporting recreational or cultural purposes or similar activities; or
- (b) lands which are used primarily as agricultural show grounds; or
- (c) lands, not otherwise classified by another differential, used primarily by a not-for-profit club* and:-
 - (i) is not used for the purpose of running a business on a full time commercial basis; and/or,
 - (ii) the club does not pay any employees, contractors or members to perform duties associated with the operations of the club; and/or
 - (iii) is not a licensed premises.

*For the purposes of this rating classification the following applies:-

-“Club” includes an association, society, fraternity, guild, lodge or circle; and,

-A club is “Not-for-Profit” if:

- (i) It does not, either while it is operating or upon winding up, carry on its activities for the purposes of profit or gain to particular persons, including its owners or members; and
- (ii) It does not distribute its profits or assets to particular persons, including its owners or members, either while it is operating or upon winding up.

Recreation 2

Recreational land as defined in Recreation 1 where the recreational land or part thereof is used for gaming.

RURAL RESIDENTIAL

Classification

Rural residential Land means any rateable land -

(a) that is not less than 2 hectares in area; and

(b) the land is resided on; and

(c) is located within the Farm or Rural Conservation planning zone that does not satisfy the criteria for farmland.

Excludes:

(d) Vacant land greater than 2 HA.

Reasons for the Use and Level of Rate

The rural residential rate is lower than for other classes of land because the land is prima-facie farm land; however, with the inclusion of a residence primary purpose of the property is shifted towards residential use.

The Rural Residential Rate is lower than the Residential Rate in order to recognise location issues and other restrictions applicable to such properties in either a Farm Zone or a Rural Conservation Zone

Rating Strategy and Revaluation

Revaluation

Every two (2) years, all of Local Government is required to complete a revaluation of rateable properties. This revaluation is required by the Valuation of Land Act 1960:

General valuation to be made every two years

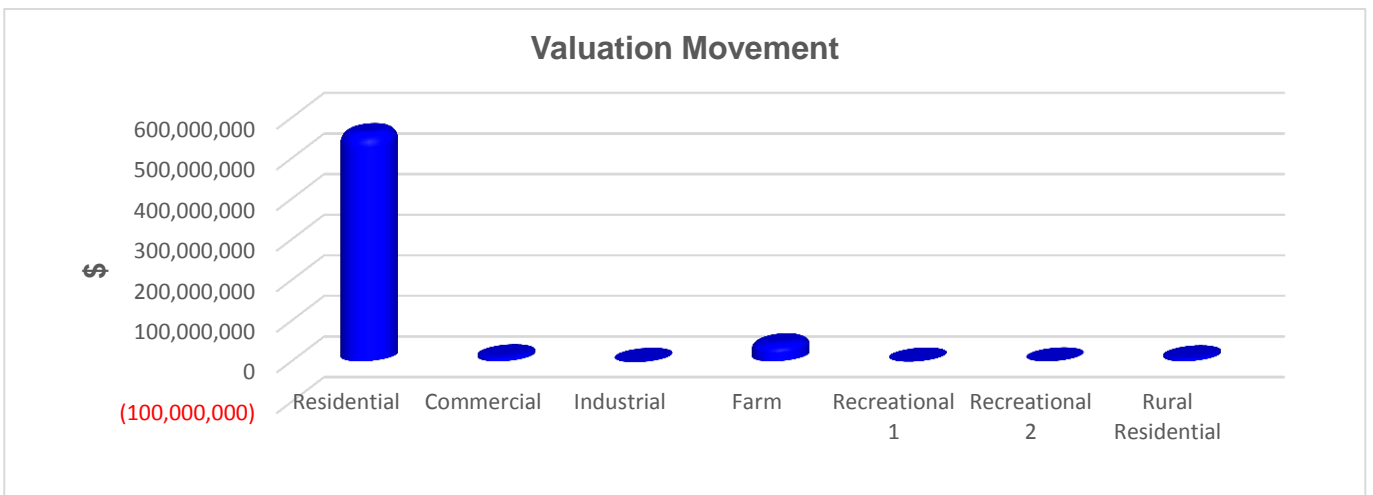
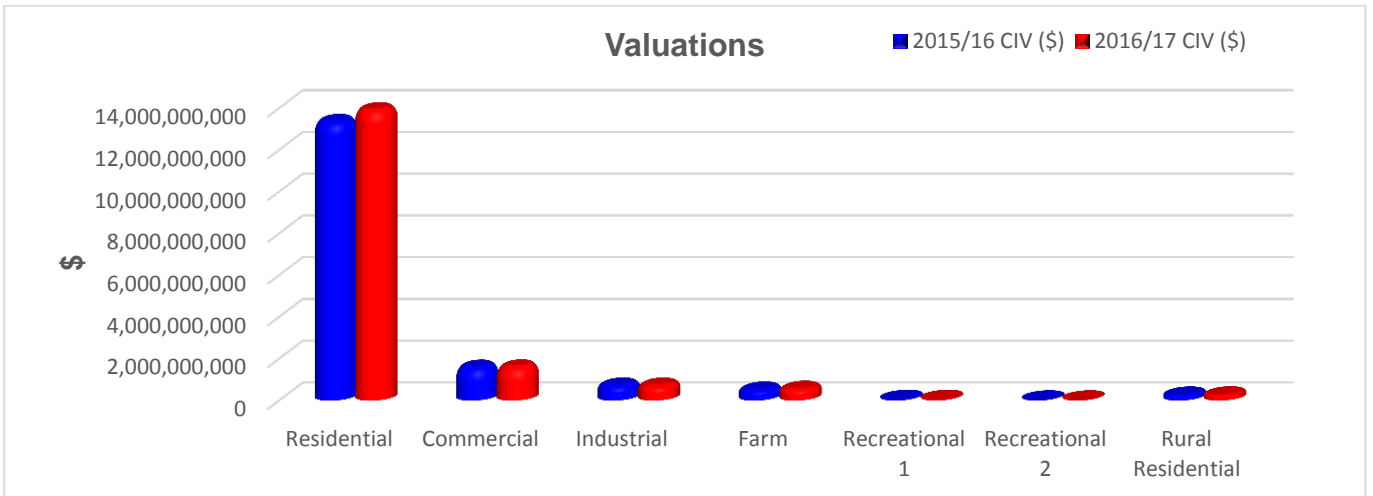
11. General valuation to be made every two years
For the purposes of the Local Government Act 1989, a valuation authority must-
- (a) cause a general valuation of rateable land within the relevant municipal district to be made as at 1 January in every even calendar year; and
 - (b) before 30 June that year, cause a general valuation made in accordance with paragraph (a)-
 - (i) to be returned to it; and
 - (ii) if the valuation authority for the relevant municipal district is the valuer-general-to be provided to the council of that municipal district.

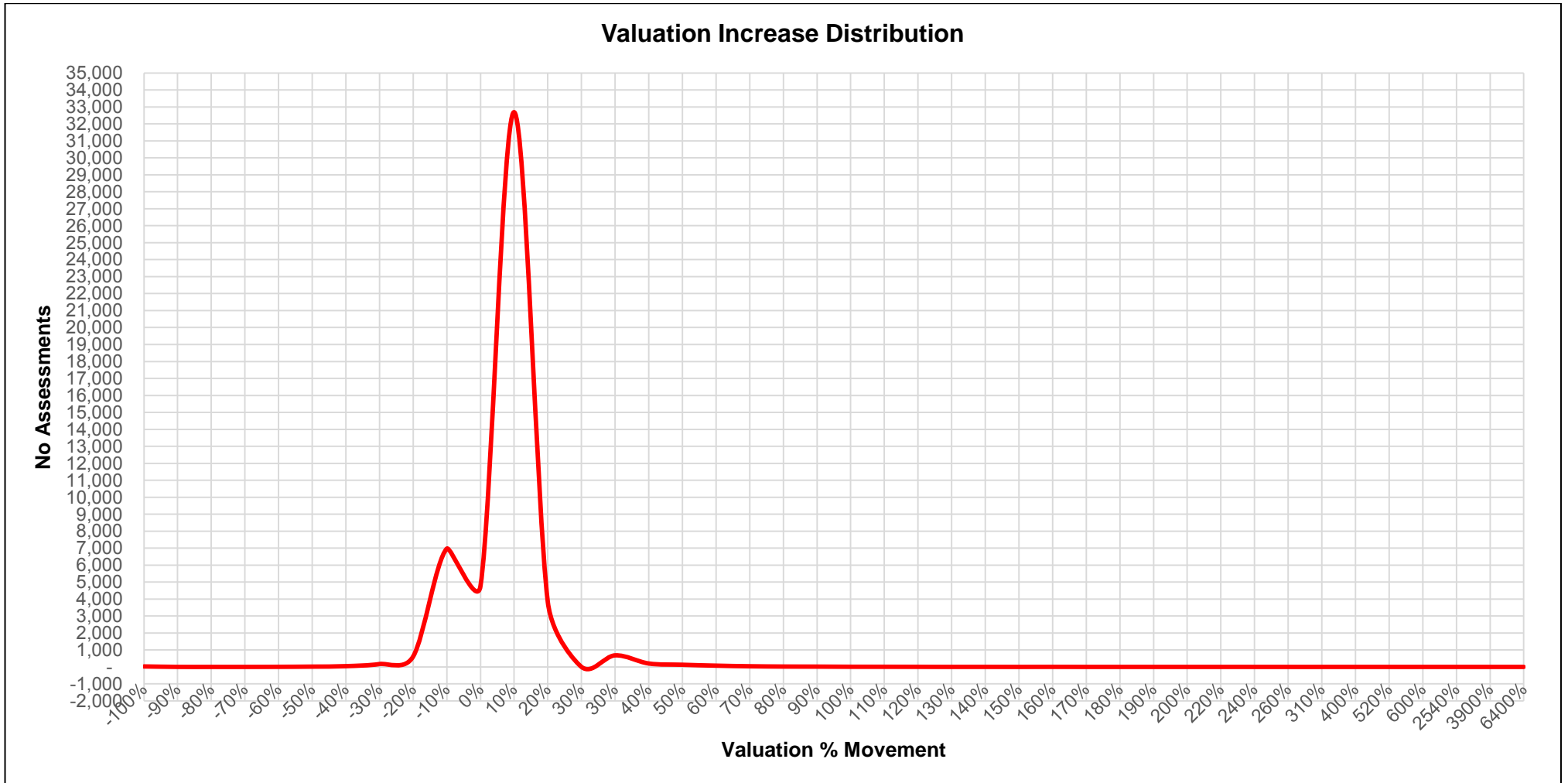
From the perspective of local government, the completion of a revaluation of rateable land **does not** raise any additional revenue in the year of the revaluation. The effect of a revaluation is a redistribution of rates throughout the municipality without any additional income being raised.

The revaluation is carried out as at January 2016, all valuations reflect valuations at that time. Should properties be subject to a valuation during the next two (2) years the valuation will be based on valuations as at January 2016. The valuation date will not change until the next revaluation due for the 2018/19 financial year.

The table below provides a summary of the revaluation for 2016. Overall the values of all rateable properties within the City of Ballarat increased by 3.74%. As can be seen from the table the valuations for different categories changed at different rates. This will have the impact of rates increases for 2016/17 varying from property to property, instead of a flat percentage increase across all rating types, a variable movement in rate increase dependent on the impact of the revaluation for a particular property compared to the increase across the entire municipality.

Rate Classification	No Assess.	2015/16 CIV (\$)	2016/17 CIV (\$)	Movement \$	Movement %
Residential	45,239	13,366,394,085	13,926,679,205	560,285,120	4.19%
Commercial	2,197	1,592,610,615	1,604,343,780	11,733,165	0.74%
Industrial	1,488	727,141,850	724,968,160	(2,173,690)	-0.30%
Farm	789	528,257,500	570,079,500	41,822,000	7.92%
Recreational 1	62	62,347,430	61,587,230	(760,200)	-1.22%
Recreational 2	6	17,887,770	17,887,770	0	0.00%
Rural Residential	611	268,386,250	276,803,375	8,417,125	3.14%
	50,392	16,563,025,500	17,182,349,020	619,323,520	3.74%



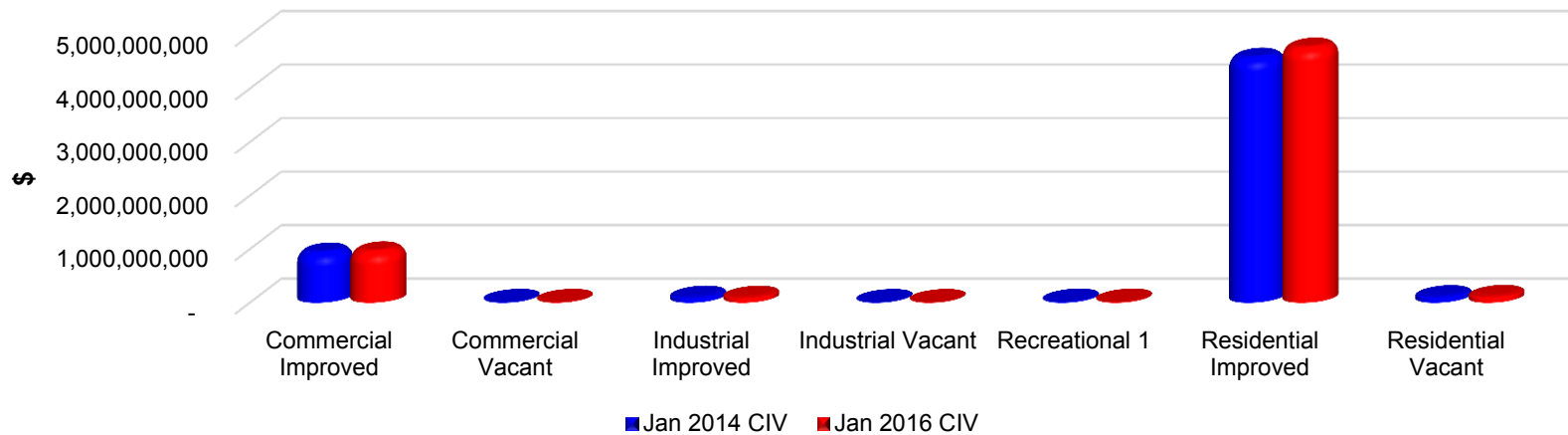


2016/17 Budget

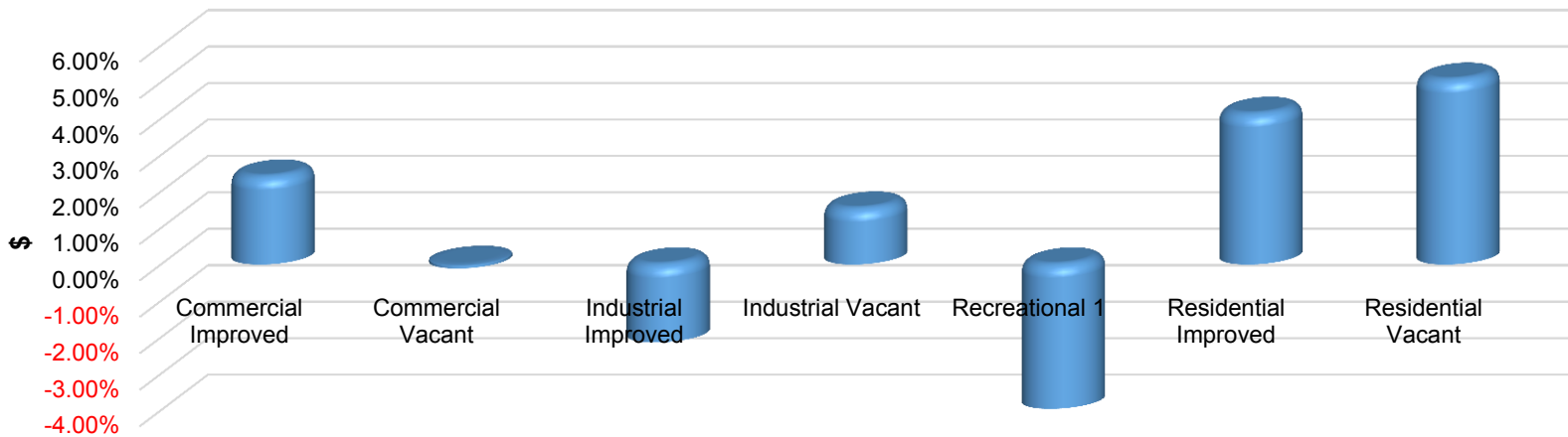
Central Ward Valuations

Category	No. Assessments	% Distribution	Jan 2014 CIV	% Distribution	Jan 2016 CIV	% Distribution	Movement \$	Movement %
Commercial Improved	1,397	8.66%	928,618,455	16.17%	951,019,925	15.97%	22,401,470	2.41%
Commercial Vacant	26	0.16%	11,213,000	0.20%	11,201,000	0.19%	(12,000)	-0.11%
Industrial Improved	155	0.96%	98,742,665	1.72%	96,635,610	1.62%	(2,107,055)	-2.13%
Industrial Vacant	25	0.15%	5,472,500	0.10%	5,556,500	0.09%	84,000	1.53%
Recreational 1	27	0.17%	18,858,200	0.33%	18,112,000	0.30%	(746,200)	-3.96%
Residential Improved	14,033	86.98%	4,569,872,805	79.58%	4,758,739,110	79.89%	188,866,305	4.13%
Residential Vacant	470	2.91%	109,939,875	1.91%	115,513,875	1.94%	5,574,000	5.07%
	16,133	100.00%	5,742,717,500	100.00%	5,956,778,020	100.00%	214,060,520	3.73%

Central Ward Valuations



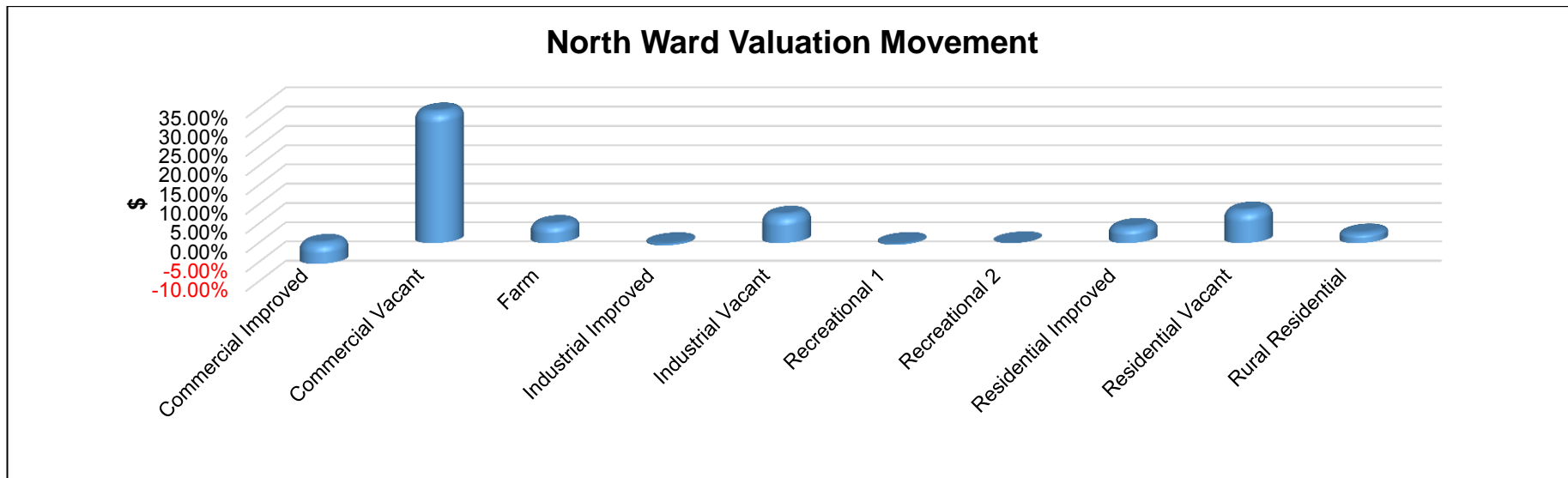
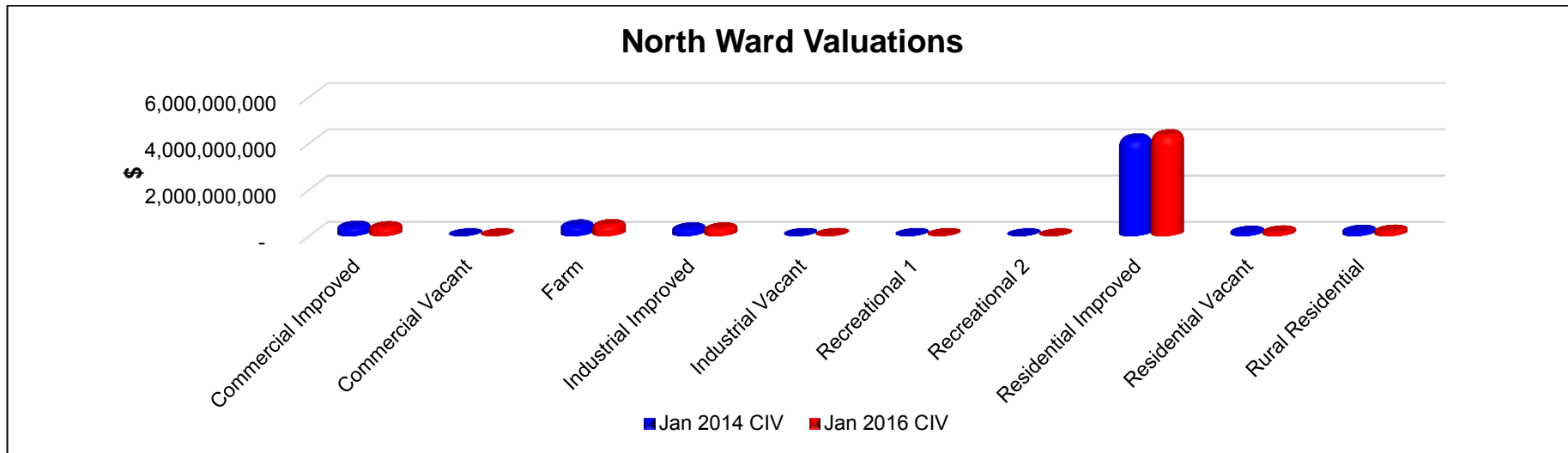
Central Ward Valuation Movement



2016/17 Budget

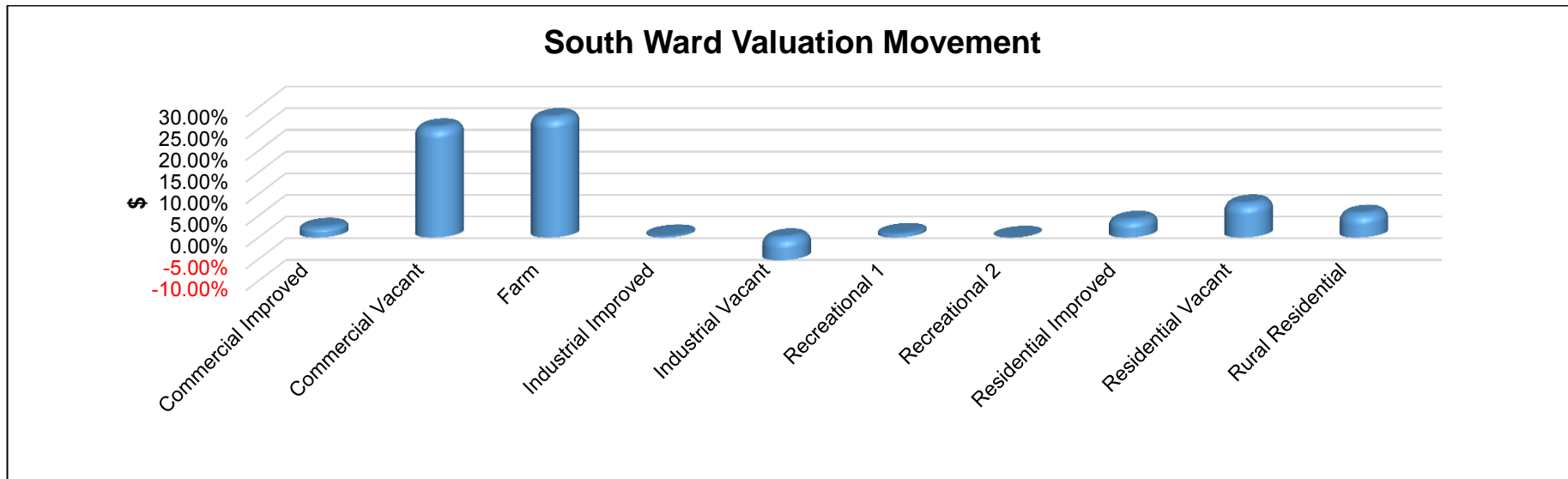
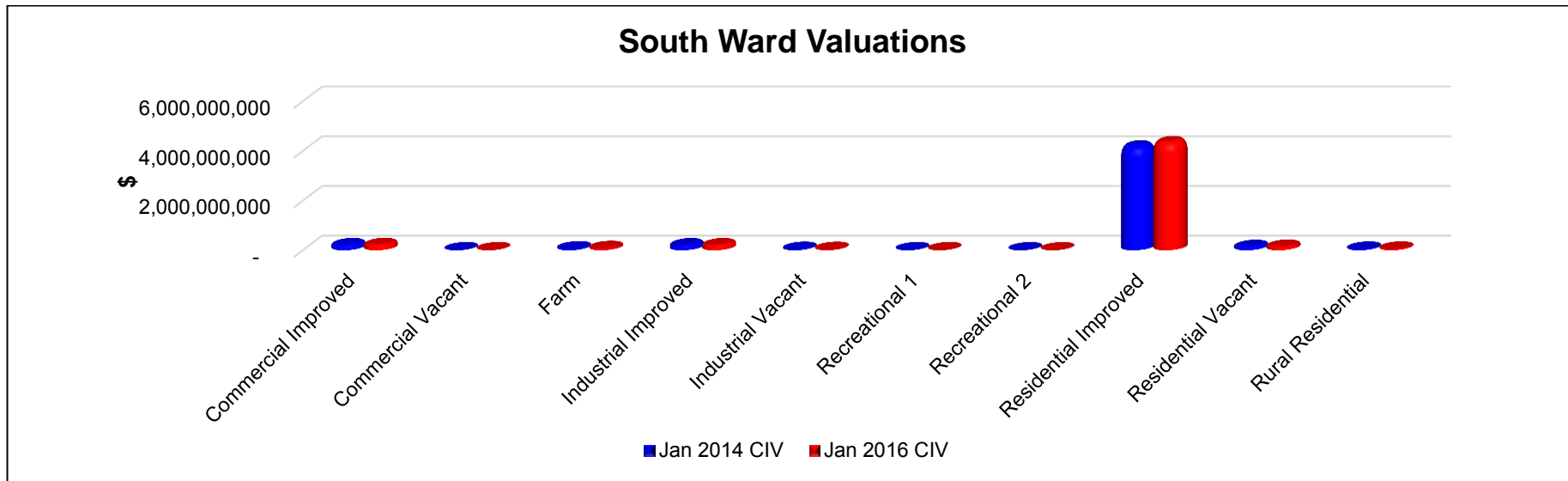
North Ward Valuations

Category	No. Assessments	% Distribution	Jan 2014 CIV	% Distribution	Jan 2016 CIV	% Distribution	Movement \$	Movement %
Commercial Improved	445	2.63%	405,472,745	6.92%	383,635,010	6.34%	(21,837,735)	-5.39%
Commercial Vacant	14	0.08%	10,700,000	0.18%	14,349,500	0.24%	3,649,500	34.11%
Farm	668	3.95%	458,180,000	7.82%	480,568,000	7.94%	22,388,000	4.89%
Industrial Improved	444	2.62%	327,636,075	5.59%	325,631,450	5.38%	(2,004,625)	-0.61%
Industrial Vacant	147	0.87%	36,384,500	0.62%	39,044,000	0.65%	2,659,500	7.31%
Recreational 1	25	0.15%	30,842,780	0.53%	30,705,780	0.51%	(137,000)	-0.44%
Recreational 2	4	0.02%	10,790,220	0.18%	10,790,220	0.18%	0	0.00%
Residential Improved	13,875	82.02%	4,189,254,930	71.53%	4,360,794,665	72.04%	171,539,735	4.09%
Residential Vacant	803	4.75%	170,124,000	2.90%	184,417,500	3.05%	14,293,500	8.40%
Rural Residential	491	2.90%	217,465,750	3.71%	223,100,375	3.69%	5,634,625	2.59%
	16,916	100.00%	5,856,851,000	100.00%	6,053,036,500	100.00%	196,185,500	3.35%



2016/17 Budget

South Ward Valuations								
Category	No. Assessments	% Distribution	Jan 2014 CIV	% Distribution	Jan 2016 CIV	% Distribution	Movement \$	Movement %
Commercial Improved	300	1.73%	228,007,915	4.59%	233,358,845	4.51%	5,350,930	2.35%
Commercial Vacant	15	0.09%	8,598,500	0.17%	10,779,500	0.21%	2,181,000	25.36%
Farm	121	0.70%	70,077,500	1.41%	89,511,500	1.73%	19,434,000	27.73%
Industrial Improved	543	3.13%	221,633,110	4.47%	222,773,600	4.31%	1,140,490	0.51%
Industrial Vacant	174	1.00%	37,273,000	0.75%	35,327,000	0.68%	(1,946,000)	-5.22%
Recreational 1	10	0.06%	12,646,450	0.25%	12,769,450	0.25%	123,000	0.97%
Recreational 2	2	0.01%	7,097,550	0.14%	7,097,550	0.14%	0	0.00%
Residential Improved	15,344	88.47%	4,184,734,975	84.31%	4,353,623,555	84.17%	168,888,580	4.04%
Residential Vacant	714	4.12%	142,467,500	2.87%	153,590,500	2.97%	11,123,000	7.81%
Rural Residential	120	0.69%	50,920,500	1.03%	53,703,000	1.04%	2,782,500	5.46%
	17,343	100.00%	4,963,457,000	100.00%	5,172,534,500	100.00%	209,077,500	4.21%



Rating Strategy

The first year of this Council's term they formulated a Long Term Financial Strategy including a rating strategy. The rating strategy consisted of two parts.

1. This base rate was set at 5.5%.
2. Rate rises need to directly implement the major components of their vision.

The financial strategy was based around borrowings of \$25 million, funding for the Civic Hall and major aquatic projects, including the construction of a 50m indoor heated pool.

In addition to the borrowings, the most significant aspect of the financial strategy was the additional funding proposed for:

- Necessary infrastructure works.
- Additional funds for facility maintenance.
- Increased funding levels for improved service standards.
- Increased funding to cater for the growth zones of Ballarat.

The proposed rate increases were:

- 2013/14 7.5%
- 2014/15 6.5%
- 2015/16 6.0%
- 2016/17 5.5%

Though Council had proposed these future increases, each year the current financial position would be reviewed along with services and projects to be delivered to ultimately determine the rate increase for the next budget period.

During the 2013/14 budget period there was significant discussion regarding the commercial rate. This discussion continued during that financial year. Council, in the formulation of the 2014/15 budget, decided to modify the rating strategy to address the inequity of the commercial rate in order to bring the ratio of the commercial rate to the residential rate in line with other regional centres.

The net effect of this results in the commercial rate being set at 2% lower each year for the next 10 years. With the implementation of the Rate Cap, Council is no longer able to implement this strategy.

Each subsequent year, Council reviewed their financial position with principle aims of "Building a Better Ballarat, whilst maintaining the lowest possible rate rises. Over the four (4) year period of this Council term, Council has delivered lower rate increases than original set out in the financial strategy.

For 2016/17, the State Government has set a "Rate Cap" for all of local government in Victoria of 2.5%. Council has requested a variation of 1.2% to enable funding of additional costs associated with the Developers Contribution Plan and to continue the additional funding for infrastructure. The principle of increasing funding for infrastructure works over the last twelve (12) years has been constant for Council.

Calculation of Rate in a Revaluation Year

In the calculation of the rate income, in a general revaluation year there is a general misconception that the revaluation will result in Council receiving a “windfall” in revenue in that year. The reality is that the method that rates are calculated ensures that no additional funds are received other than by the general rate rise.

The revaluation does have the impact of redistributing the rate burden within the municipality dependent on the movements in valuations.

Step 1

Calculate the rates on the existing valuations, before the revaluation.

Assessments	Rate Type	CIV 13/14	2013/14 Rate in Dollar	Ratio	2014/15 5.5% Increase	2014/15 \$
41,383	Residential Improved	11,786,155,610	0.004100	1.00	0.004326	50,986,909
1,813	Residential Vacant	355,221,375	0.004100	1.00	0.004326	1,536,688
2,087	Commercial Improved	1,481,660,143	0.010539	2.52	0.010908	16,161,949
48	Commercial Vacant	18,853,500	0.010539	2.52	0.010908	205,654
1,101	Industrial Improved	590,603,975	0.010539	2.57	0.011119	6,566,926
313	Industrial Vacant	79,885,000	0.010539	2.57	0.011119	888,241
772	Farm	503,306,500	0.002870	0.70	0.003028	1,524,012
64	Recreational 1	61,213,695	0.002870	0.70	0.003028	185,355
6	Recreational 2	18,122,155	0.010539	2.57	0.011119	201,500
611	Rural Residential	249,467,000	0.003690	0.90	0.003893	971,175
48,198	Total	15,144,488,953				79,228,409

Step 2

Recalculate the rate in the dollar to raise the \$80,298,273 using the revaluation figures

Assessments	Rate Type	CIV 14/15	Ratio	Revised Rate in Dollar	2014/15 \$
41,383	Residential Improved	12,318,389,945	1.00	0.004123	50,788,722
1,813	Residential Vacant	381,500,375	1.00	0.004123	1,572,926
2,087	Commercial Improved	1,545,404,430	2.52	0.010396	16,066,024
48	Commercial Vacant	21,576,000	2.52	0.010396	224,304
1,101	Industrial Improved	633,443,300	2.57	0.010597	6,712,599
313	Industrial Vacant	88,054,500	2.57	0.010597	933,114
772	Farm	538,022,000	0.70	0.002886	1,552,731
64	Recreational 1	69,349,930	0.70	0.002886	200,144
6	Recreational 2	17,887,770	2.57	0.010597	189,557
611	Rural Residential	267,913,250	0.90	0.003710	993,958
48,198	Total	15,881,541,500			79,234,079

Strategic resource plan and financial performance indicators

1 Plan Development

Statutory requirements

“Section 125(1) of the Act requires councils to prepare a strategic resource plan and include this in the council plan”

Section 126 of the Act states that:

- the strategic resource plan is a plan of the resources required to achieve the council plan strategic objectives^x
- the strategic resource plan must include the financial statements describing the financial resources in respect of at least the next four financial years^{xi}
- the strategic resource plan must include statements describing the non-financial resources including human resources in respect of at least the next four financial years^{xii}
- the strategic resource plan must take into account services and initiatives contained in any plan adopted by council and if the council proposes to adopt a plan to provide services or take initiatives, the resources required must be consistent with the strategic resource plan^{xiii}
- council must review their strategic resource plan during the preparation of the council plan^{xiv}
- council must adopt the strategic resource plan not later than 30 June each year and a copy must be available for public inspection at the council office and internet website.^{xv}

In preparing the strategic resource plan, councils should comply with the principles of sound financial management as prescribed in the Act^{xvi} being to:

- prudently manage financial risks relating to debt, assets and liabilities
- provide reasonable stability in the level of rate burden
- consider the financial effects of council decisions on future generations
- provide full, accurate and timely disclosure of financial information.

The strategic resource plan is the key medium-term financial plan produced by council on a rolling basis that summarises the resourcing forecasts of a council for at least four years and forms part of the council plan.

Resource planning is important for ensuring that a council remains sustainable in the long term.

The Ballarat City Council has submitted a variation application to the rate cap set by the state government. The rate cap was set at 2.5%, Council submitted a variation application totalling 1.2%, containing the following components:

• Infrastructure funding	0.53%
• DCP funding	0.67%
Total	1.20%

On 31 May 2016, Council was notified by the Essential Services Commission that the rate cap variation application was not successful. The Essential Services Commission indicated that in the short term the Ballarat City Council had the financial capacity to deal with the issue presented to them. Council’s view has been to look to the long term to ensure the Council maintained financial sustainability whilst funding increasing funding for essential infrastructure works.