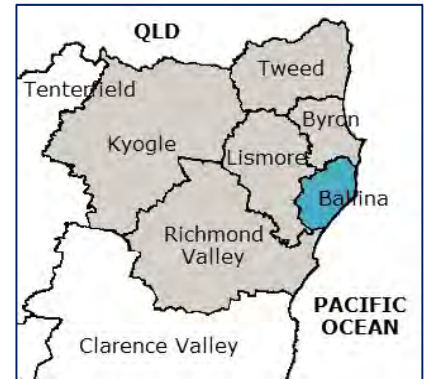


## BALLINA SHIRE COUNCIL – CIP

FIT			
Area (km <sup>2</sup> )	485	Population 2011	40,750
OLG Group	4	(2031)	44,750
ILGRP Group	G		
Operating revenue (2013-14)	\$43.8m	TCorp assessment	Moderate FSR Neutral Outlook
ILGRP option	Council in Northern Rivers JO (all shaded).		
Assessment summary	Scale and capacity	<b>Satisfies</b>	
	Financial criteria:	<b>Satisfies overall</b>	
	• Sustainability	Satisfies	
	• Infrastructure and service management	Satisfies	
	• Efficiency	Satisfies	



### Fit for the Future – FIT

- The council satisfies the scale and capacity criterion.
- The council satisfies the financial criteria overall. It satisfies the sustainability, infrastructure and service management and efficiency criteria.

### Scale and capacity - satisfies

- Our analysis has not identified evidence for a better alternative to the council's proposal to stand alone. Hence the council has been assessed as satisfying the scale and capacity criterion.
- The council's proposal is consistent with the ILGRP's option to stand alone.
- As the ILGRP did not identify another option for this council, it was not required to demonstrate how it met each of the elements of scale and capacity.

### Sustainability – satisfies

- The council satisfies the criterion for sustainability based on its forecast to meet the benchmarks for the operating performance, own source revenue and building and infrastructure asset renewal ratios by 2019-20.
- The council has assumed a special variation of 17% over three years, starting in 2017-18 (8.9% above the rate peg). This is in addition to a currently approved permanent special variation of 11.0% (5.5% above the rate peg) in 2015-16 and 2016-17.
- We note the council's forecast for its operating performance ratio is to reach a slim surplus by 2019-20. This may place the council at risk of not meeting the benchmark if unforeseen circumstances require increased expenditure. However we consider the council has scope to adjust its financial plans to meet the ratios.

### Infrastructure and service management - satisfies

- The council satisfies the criterion for infrastructure and service management based on meeting the benchmarks for the infrastructure backlog, asset maintenance and debt service ratios by 2019-20.

### Efficiency - satisfies

- The council meets the criterion for efficiency based on its reducing real opex per capita over the period to 2019-20.

### Other relevant factors

Social and community context	The council is located on the north coast of NSW in close proximity to major population centres such as the Gold Coast and Brisbane. The main commercial centre is Ballina. Most residents drive to work as there are limited public transport options.
Community consultation	The council did not provide any information about community consultation on its proposal.
Water and/or sewer	The council achieved 100% compliance for sewer and 90% compliance for water with the best practice management framework.
Submissions	There were no submissions received in relation to Ballina's proposal.