



Mayor's Christmas Message

On behalf of Liverpool Plains Shire Council I wish you all a happy Christmas and a prosperous New Year.

As detailed elsewhere in this newsletter Council is proposing to increase rates by 19% next year to ensure Council addresses its long term financial sustainability and its infrastructure backlog. I'm sure the State Government will also be looking to amalgamate those Councils that are not financial and which have a significant list of infrastructure works to complete. All additional funds generated from the Special rate Variation, if approved by IPART, will be spent on infrastructure works.

Reflecting on the past year there has been plenty of activity happening around the Shire with the completion of additional new walking/cycle paths in Quirindi, the construction of a new skate park in Werris Creek, upgrade of the Quipolly Dam, Bell Park Playground, new lifts at the Australian Railway Museum and Showground, upgrades to many roads including Harrisons Plains Rd, Werris Creek to Currabubula Rd and Bundella Rd, upgrades to culverts and causeways, creek restoration works and completion of the first two stages of the Quipolly Dam Recreation area. There has also been a positive response to the experienced YMCA taking over management of the Recreation Centre and both swimming pools.

In the New Year works will include more picnic facilities at the Quipolly Dam Recreation Area, new displays in the Australian Railway

Museum, reconstruction of the Gap Rd and the Werris Creek Rd, more gravel resheeting of unsealed roads and resealing of urban roads and design works for the completion of the Quirindi and Werris Creek main street upgrades.

Council looks forward to collaborating with the community over the next 12 months to determine required service levels for all Council activities and I urge you to have input at community meetings and to make comment on Council's webpage, Facebook or Twitter.

Once again on behalf of Council enjoy your Christmas and please take special care when travelling over the Christmas and New Year period.

- Mayor of LPSC, Councillor Ian Lobsey OAM

T Corp Report Recommends Special Rate Variation

New South Wales Councils have been subject to rate pegging for more than thirty (30) years and the basic principles of rate pegging remain unchanged with annual increases essentially tied to CPI increases for the previous financial year.

While the annual rate pegging increase aims to maintain the Councils ability to deliver a comparable level of service to that of the previous year, unfortunately other factors such as State Government cost shifting, infrastructure condition and environmental factors affecting road networks such as black soils are not taken into consideration. In 2011/2012 the State Government's cost shifting to Liverpool Plains Shire Council (LPSC) was estimated to be in the order of \$427,000 per annum.

The NSW State Government recently engaged New South Wales Treasury Corporation (T Corp) to undertake an assessment of the financial capacity and sustainability of all 152 Councils in NSW. The review found LPSC had a "Weak" financial sustainability rating (FSR) and a "Negative" outlook. The negative outlook indicates that a Council's FSR is more likely to deteriorate and we are therefore in danger of being amalgamated with surrounding council(s) who already have higher average residential rates than LPSC.

The T Corp report recommends Council undertake actions to reduce the perceived risks, such as cost cutting and obtaining approval for a special rate variation (SRV) to increase investment in its infrastructure asset backlog.

Council's immediate response to the report was a review of all expenditure programs for 2013/2014 and this resulted in expenditure savings of \$325,000 which included redundancies and cuts to services in all four (4) organisational directorates. The saving equated to a 5% increase in rates. In framing its Long Term Financial Plan 2014/15 - 2023/24 Liverpool Plains Shire Council has considered the recommendations of the T Corp review and is proposing to increase general rates by 19% commencing in the forthcoming 2014/2015 financial year. After extensive consultation and survey of the community, Council will make application to the Independent Pricing and Regulatory Tribunal (IPART) of New South Wales for the increase.

The increase is made up as follows:

- Retention of the existing 6.5% Special Rate Variation which expires on the 30th June 2014. This increase commenced in 2009/2010 for a period of five (5) years. Council will request to retain this previous increase which is currently included in your

rates and this will be dedicated to improving roads.

- 10% increase to provide additional ongoing funds for the maintenance and rehabilitation of Council's existing infrastructure network.
- An estimated 2.5% being the Minister's annual Allowable Rate Pegging Increase for 2014/2015.

The rate increase will only apply to general rates, other annual charges such as sewer, domestic waste management and water will increase by around 3% in 2014/15.

In the coming year Council staff will embark upon a further review of service levels in collaboration with the community with the aim of making expenditure savings and efficiency gains. Council is also aware that any increase in the cost of living is difficult, and those ratepayers having trouble in meeting their rate installment commitments at any point in time should contact Council to organise a payment plan.

Ratepayers having questions of the special rate variation strategy should contact the General Manager or Director Corporate Services on 67461755.

