

[Agenda Report](#)

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Resolved Items Action Statement

Action is required for the following item as per the Council Decision or Resolution Under Delegated Authority.

Subject: CCD - Draft Delivery Program / Operational Plan for 2015/2016
Index: Corporate Management; Delivery Program / Operational Plan 2013-17
Author: Manager Corporate Finance & Planning – Phil Brennan
Ordinary Meeting: 28 April 2015

RECOMMENDATION:

1. That Council place the draft 2013-2017 Delivery Program and 2015-2016 Operational Plan on public exhibition for a period of not less than 28 days to allow for consideration of its content by the public and the lodgement of submissions during the exhibition period.
2. That Council note the updated Workforce Management Plan.
3. That Council adopt the revised Asset Management Strategy and associated Asset Management Policy.
4. That Council note the updated Long Term Financial Plan incorporating scenarios for a possible special rate variation application to the Independent Pricing & Regulatory Tribunal to commence in the 2016-2017 financial year.
5. That Council commence community consultation activities in relation to the proposed section 508A special rate variation application to be lodged with the IPART for the 2016-2017 financial period.

RESOLUTION

(Moved L Roberts/Seconded C McCaskie)

That the above recommendation be adopted.

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Resolved Items Action Statement

Action is required for the following item as per the Council Decision or Resolution Under Delegated Authority.

Subject: ES - Asset Management Plan

Index: Corporate Planning – Resourcing Strategy, Asset Management Planning

Author: Director Engineering Services – Ron Hartley

Ordinary Meeting: 9 December 2014

RECOMMENDATION:

1. The draft Asset Management Plan be adopted.
2. An additional \$1 million be allocated towards the rural sealed roads rehabilitation program within the Long Term Financial Plan.

RESOLUTION

(Moved K Hutchinson/Seconded L Vaughan)

That:

1. The draft Asset Management Plan be adopted.
 2. A funding source for the additional \$1 million required for the Rural Road Rehabilitation Program be identified and reported back to Council in the development of the Delivery Program.
-

Subject: GM - Adoption of 2015/2016 Delivery Program / Operational Plan
Index: Corporate Management - Delivery Program / Operational Plan 2013-2017
Author: Manager Corporate Finance & Planning - Phil Brennan
Ordinary Meeting: 23 June 2015

SUMMARY OF REPORT:

This report requires Council to consider submissions from the public on the draft 2015/2016 Delivery Program / Operational Plan. It also proposes the adoption of the 2015/2016 Delivery Program / Operational Plan subject to any amendments that Council may choose to make having considered those submissions.

SUMMARY OF RECOMMENDATION:

That Council having considered the submissions lodged in relation to the draft 2013-2017 Delivery Program / 2015-2016 Operational Plan (including the Statement of Revenue Policy, Fees and Charges Schedule and 2016-2017 Special Rate Variation Proposal), adopt that plan as its 2013-2017 Delivery Program / 2015-2016 Operational Plan subject to the following:

- The amendment to the following Fees and Charges:
 - Section 603 Certificate - \$75.00
 - Beach Vehicle Permit Fee - Pensioners - \$25.00
 - Asbestos - per tonne Min \$34.00
 - Sorted Weighbridge - General Waste - per tonne Min \$7.00
 - Recyclables - Commercial (subsidised) per tonne Min \$4.00
 - Sorted Weighbridge - Clean Green Waste - per tonne Min \$4.00
 - Unsorted Waste - per tonne Min \$14.00
 - Bricks, tiles, concrete - per tonne Min \$4.00
 - Treated timber - per tonne Min \$14.00
- Further community consultation activities in relation to the 2016-2017 Special Rate Variation Proposal to inform Council's consideration of the matter at the appropriate time.

FINANCIAL/RESOURCE IMPLICATIONS:

Financial implications have been discussed within the report.

POLICY IMPLICATIONS:

Nil.

LEGAL IMPLICATIONS:

Consideration of public submissions and adoption of the Delivery Program / Operational Plan before 30 June is required by legislation.

LIST OF ANNEXURES:

- A: Submission from [REDACTED] dated 3 June 2015.
B: Submission from [REDACTED] dated 27 May 2015.

LIST OF ATTACHMENTS:

Nil.

REPORT:

The Local Government Act 1993 requires the following (in part) in relation to the adoption of its Delivery Program and Operational Plan:

404 Delivery Program

(4) A draft delivery program must be placed on public exhibition for a period of at least 28 days and submissions received by council must be considered by the council before the delivery program is adopted by the council.

405 Operational Plan

(1) A council must have a plan (its operational plan) that is adopted before the beginning of each year and details the activities to be engaged in by the council during the year as part of the delivery program covering that year.

(2) An operational plan must include a statement of council's revenue policy for the year covered by the operational plan. The statement of revenue policy must include the statements and particulars required by the regulations.

(3) A council must prepare a draft operational plan and give public notice of the draft indicating that submissions may be made to the council at any time during the period (not less than 28 days) that the draft is to be on public exhibition. The council must publicly exhibit the draft operational plan in accordance with the notice.

(5) In deciding on the final operational plan to be adopted, a council must consider any submissions that have been made concerning the draft plan.

Council considered and resolved to place its draft 2015/2016 Delivery Program / Operational Plan on public exhibition for the required period at its Ordinary Meeting of 28 April 2015. The documents were subsequently advertised and made available for inspection at locations around the Council area and from Council's website. Four public meetings were also convened during the exhibition period, which is part of Council's commitment to provide opportunities for the public to be informed on current issues and plans affecting Council and the community.

Those meetings were held as follows:

- Stroud - Wednesday 6 May 2015 - 28 community members in attendance
- Tea Gardens - Thursday 14 May 2015 - 38 community members in attendance
- Bulahdelah - Wednesday 20 May 2015 - 6 community members in attendance
- Forster - Thursday 21 May 2015 - 35 community members in attendance

The General Manager and Director Corporate & Community Development also conducted television and radio interviews on this issue.

Feedback from the sessions was generally positive on all aspects of Council's proposals including the construction of a new Library in Forster and the special rate variation.

The advertised public exhibition period ran from 4 May 2015 until 5 June 2015. At the close of the exhibition period 5 submissions had been lodged with Council. These submissions will be discussed below.

Submissions:

1. [REDACTED] - "I wish to thank the General Manager, Mayor, Councillors and staff for the informative talk and discussion this morning.

It was pleasing to see such a strong attendance from local community, interest groups and individuals.

This augurs well for getting constructive feedback on your future plans and initiatives.

I appreciated the opportunity to hear more about Council's future directions and issues.

It was a great to see GLC communicating in such an open manner with further opportunities for additional discussions extended where necessary.

I must state that this is a pleasant change from my previous dealings with Inners West Sydney local government".

2. [REDACTED] - "I strongly oppose any increase in our rates which I think are far too high already".

3. [REDACTED] - "I support a new Library building near the Forster Police Station. The library is a valued and well-used facility and its newly proposed location will provide for a much increased space for parking amongst many other positive attributes.

However I would like the civic centre and library to be in the front (on the lake, with views) and the residential buildings to the rear.

If rates have to go up to fix roads then I support this too.

YES - to NEW library on the lake and

YES - to a rate increase to fix roads."

4. [REDACTED] - Commenting on Council's plan to depart from the rates formula to address the fall in valuations such that those properties with a falling valuation will still receive a rate increase. Suggesting that Council should have saved revenue collected in "good times" to offset the "bad times". Suggesting that Council should cancel the plan to re-build a new Library to reduce expenditure. This submission is included as Annexure A.

5. [REDACTED] - 9 page submission opposing Council's proposal to seek a special rate variation in 2016/2017. This submission is included as Annexure B.

Comments:

In relation to the submission from [REDACTED] it is apparent that they have misunderstood the manner in which rates are calculated. There has been no change to the formula that Council uses to determine the amount of Ordinary rates levied on each property. As Council is aware a general revaluation often results in swings in individual rates payable by ratepayers as a result of the respective movement in individual valuations against the average movement of valuations. Council's general income as a total increases by the amount of the rate peg however the individual incidence of rates may move in a direction that does not reflect the movement in the valuation.

[REDACTED] submission focusses solely on the proposal to seek a special rate variation from the Independent Pricing and Regulatory Tribunal (IPART) from 2016/2017. He makes no comments in relation to the draft Delivery Program / Operational Plan for 2015/2016.

He raises a number of issues with the special variation proposal including the public consultation conducted to date, the magnitude of the increase proposed, a lack of alternatives for funding other than a special variation, interpretation of the Micromex survey and the conclusions drawn, lack of need for the additional road funding based on his conclusions from applying other asset

data and practices from other local government organisations in Australia and a general lack of evidence or justification for the need for any of the items proposed within the special variation proposal.

As Council is aware it is necessary to include proposals to seek a special rate variation in the Delivery Program / Operational Plan that is adopted in the year prior to lodging an application. There are also community consultation activities that must be carried out to satisfy the IPART that the community is aware of the proposal and its impacts. The consultation conducted to date is the first round, with further activities to be conducted during the first half of 2015/2016 to ensure that the community is properly informed and has had the opportunity to comment on the proposal.

██████ representations will form part of the consideration of submissions received across the various consultation activities conducted on the special variation proposal. This consideration will be towards the end of the year when Council must make a decision on whether to notify the IPART of its intention to seek a special variation. In the interim, the issues that ██████ has raised in his submission will be considered to determine how Council can improve its communication with the community.

After considering the public submission received in relation to the 2013-2017 Delivery Program / 2015/2016 Operational Plan there are no amendments to those plans recommended to Council.

2015/2016 Fees and Charges Schedule

During the exhibition period Council received notification through the Office of Local Government's Circular 15-14 that the Chief Executive has determined the approved fee for a Section 603 Certificate is \$75.00. The draft Fees & Charges Schedule included a fee of \$70.00 with a notation that this fee may change upon notification from the Office of Local Government. As such it is recommended that the draft Fees & Charges Schedule be amended to reflect the approved fee of \$75.00.

The Minister for Local Government has also determined that the maximum amount of interest payable on overdue rates and charges for 2015/2016 is 8.5%. The reports on the making of the rates and charges contain a recommendation for Council to adopt this interest rate.

It has been proposed with the Schedule that the Pensioner Rate for a Vehicle on Beaches Permit in 2015/2016 should be \$30.00. Due to an administrative error the Beach Vehicle Permit renewal notices were recently issued with a fee of \$25.00 for Pensioners. It is recommended that the draft Fees & Charges Schedule be amended to reflect a fee of \$25 for 2015/2016 for a Beach Vehicle Permit for Pensioners.

Council has been advised by the Environmental Protection Authority that from 1 February 2016 all vehicles must be weighed in and out of facilities ie. Tuncurry and Minimbah. The Draft Fees and Charges Schedule contained minimum fees for waste currently weighed over the weighbridge. These minimum charges need to be decreased to cater for small cars and trailers which are not weighed at present. New minimum charges are proposed as follows:

- | | |
|--|-------------|
| • Asbestos - per tonne | Min \$34.00 |
| • Sorted Weighbridge - General Waste - per tonne | Min \$7.00 |
| • Recyclables - Commercial (subsidised) per tonne | Min \$4.00 |
| • Sorted Weighbridge - Clean Green Waste - per tonne | Min \$4.00 |
| • Unsorted Waste - per tonne | Min \$14.00 |
| • Bricks, tiles, concrete - per tonne | Min \$4.00 |
| • Treated timber - per tonne | Min \$14.00 |

2015/2016 Budget

There have been no significant changes to the operating environment since the presentation of the draft budget to Council. As such it is recommended that Council adopt the budget position that was presented in the draft Delivery Program / Operational Plan. That position was a balanced budget for 2015/2016. There will obviously be minor amendments of allocations required as a result of information received since the preparation of the budget eg. Mayoral and Councillors Fees, however these amendments can be incorporated within the September 2015 Quarterly Budget Review as ordinarily occurs.

RECOMMENDATION:

That Council having considered the submissions lodged in relation to the draft 2013-2017 Delivery Program / 2015-2016 Operational Plan (including the Statement of Revenue Policy, Fees and Charges Schedule and 2016-2017 Special Rate Variation Proposal), adopt that plan as its 2013-2017 Delivery Program / 2015-2016 Operational Plan subject to the following:

- The amendment to the following Fees and Charges:
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 - Treated timber - per tonne Min \$14.00
- Further community consultation activities in relation to the 2016-2017 Special Rate Variation Proposal to inform Council's consideration of the matter at the appropriate time.

ANNEXURES:

A: Submission from [REDACTED] dated 3 June 2015.

[REDACTED]

3rd June 2015
The General Manager,
Great Lakes Council,
Breeze Parade,
Forster.
NSW, 2428.

Dear Sir,

RE: Delivery Program and Operational Plan 2015-2016.

I refer to the Council's Plan, in particular the proposed Land Rates as described on page 3 of the "Council Communicator" newsletter received recently.

The item "Land Values and your Rates includes an intention by Council to depart from the Rates formula that I suspect many rate payers understood.

We are all aware that land values in the Pacific Palms area have substantially decreased over the last few years, at our property by 25-30%, much to our disappointment.

From a discussion with a Council Officer in the Rates department we are advised that our rates will increase by 7.4% despite a drop in our property value. Our rates should be reduced to meet the lower Value. Council's Officer explained that the "adjustment" was to make up for the falling Values and therefore lower rate return on beach front property.

When property values were increasing the Council charged, and Residents paid, against the formula as set. Now, with falling Values, Council intends to change the formula to meet the proposed plan that has been developed. This attitude seems to be at odds with the rate pegging Policy overseen by State Government.

The formula for rate increases and decreases should be consistent and Council should have saved the revenue collected in the "good times" to offset the "bad times".

We are in troubled Economic times and we all must take a conservative view of our spending to meet falling revenue targets, therefore Council must do the same, the use of unfair practices to create revenue is not the way forward.

A place to commence reducing expenditure may be by cancelling the plan to re build a new Library away from the Central Business and Shopping District in to the Tourist precinct.

Above all, as rate payers we expect consistency from Government and your current plan does not meet that measure.

We trust that you will understand our position.

Yours faithfully,

[REDACTED]

B: Submission from [REDACTED] dated 27 May 2015.

The General Manager - Great Lakes Council

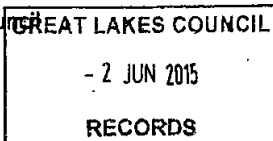
PO Box 450 Forster


NSW 2428

Wednesday, 27 May 2015

GREAT LAKES COUNCIL
Received Over Counter

01 JUN 2015



Sign. 

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Re: submission - Draft Delivery Program 2013-2017 /
Operational Plan 2015-2016



This **submission** relates specifically to Great Lakes Council, Special rate variation proposal, described in Section 5, pages 69 onwards, of the document.

[REDACTED] experience and qualifications provide evidence of competency and capability to make this submission, **opposing Council's proposal to seek a special rate variation.**

The tone and style of public consultation to date

Newspaper

There have not been any publication of letters to the editor in the local newspaper the great Lakes advocate, on either 20 May or 27 May; hence it is not known whether the public have any objections that they wish the community to know about in relation to council's plans. And, just in case someone says there have been no letters forwarded, then I can say that there have been letters forwarded, within the time limits, and in the format required, for publication.

On Wednesday, 20 May and Wednesday, 27 May, the newspaper contained **articles** about a special rate variation, **reporting on council comments.**

For example, on Wednesday, 20 May, on page 9, under a heading 'council consults the community on a range of issues', the following is stated, 'Council is seeking an 8% cumulative rate rise over four years as part of its **push to remain an independent body**', and later the general manager is reported as saying 'in **addressing a backlog of works**, we have applied for the rate rise, and at the moment I think that people understand it and are supportive of it'.

On 27 May, on page 2, under the heading, 'rates rise to fix rural roads', the following statement is made '**rural roads would be fixed with funds raised through a rate rise in the 2016/2017 financial year**', the article then goes on to say 'it will ask the Independent pricing and regulatory Tribunal to approve a 3.5% rise over the rate pegged mark in 2016/17 and 1.25% increases over the set limit every year until 2020'. This is confusing, as readers may think that all rural roads are fixed in the 2016/2007 financial year. It would help to be more clear and state that the rate rises for the 2016

/2017 financial year would be ongoing. To then state that this additional rate revenue will ensure that all rural roads will be maintained at a good level all of the time. Then to point out why.

It is confusing to see the council reported on one week as saying that they are seeking a rate rise over four years, in a push to remain an independent body, and then later in the same article, saying that it is to cover a backlog of works. **It would be illuminating for council to be reported as seeking a rate rise of over 20% over a four-year period.**

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The articles do not mention that monies raised by a special rate variation, are to cover **repayment of loans**. This is especially concerning when the amounts stated as to repay loans are in the vicinity of **\$0.5million**. **Even more concerning is that this will be part of the council's ongoing budget, and not for a set time.**

Introduction

The main point of the opposition is that the **proposal appears to be unsupported by the reasons given**. Councils comment at start of the plan that it is **business as usual**, is unfortunate. If "business as usual", includes proposals for **special rate variations that are not supported by any reasonable logic then this is unfortunate, to say the least.**

Other reasons include

- That the **increase in rates is onerous**, where ratepayers already pay very high rates, especially compared to income. (From the office of local government document, "Comparative information on NSW local government – Measuring local government performance – 2012/2013". Average ordinary residential rates for GLC was \$1015.66, while the group average was \$878.05. This is 15% higher than the group average. The average taxable income in GLC was \$34,435, while the group average was \$40,087. This is only 85% of the group average.)
- That there is **no evidence that council has attempted to seek alternatives** to a rate increase to achieve financial goals. Alternatives may include, but not be limited to, planning expenditure that is with the existing capacity to meet that expenditure without a rate increase (a simple example, may include deferring or cancelling developer activities such as design and construction of a new library and residential accommodation on a site that Council has named the Civic precinct, and instead spending funds available on other necessary items, such as rehabilitation existing assets such as failed road pavements. This achieves two goals immediately. It restricts the creation of new assets that increase the ongoing maintenance and rehabilitation requirements. It frees up funding within the existing income stream to better maintain existing assets). Other examples may include reviewing the processes, systems, procedures and leadership within the council organization to achieve better efficiencies.
- That Council included **the proposal in a document that most ratepayers would not be expected to realise** included a section on Councils **proposal for a special rate variation**. The wording of the proposal, and graphics could easily be misunderstood. The public sessions across council area were mentioned in "Council's Communicator" however the issue of a proposed special rate variation was not mentioned.

The need and purpose for the Special Rate Variation

Point 1

On page 69 of the document referred to, there is a section headed the need and purpose for the Special Rate Variation which purports to explain the need and purpose. The first is to provide additional funding "to provide a sustainable level of service in terms of its infrastructure and operations." The following paragraphs go on to cover outcomes of audits and investigations into asset management practices.

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- There is a paragraph "The result of this work was a series of revised Asset Management Plans that identified the funding requirements to bring the various classes of infrastructure up to a particular standard (or service level) and to maintain them at that standard." I refer to my presentation to Council [REDACTED] where I stated I had requested in an email to the appropriate council officer, that any more detail on asset management plans that was available, or had been produced other than the consolidated asset management plan, version 2 December 2014, could be made available to me. I have not received a reply. My assumption is that there is no more detail. On this basis I am assuming that the consolidated asset management plan purports to include the ".....series of revised Asset Management Plans" Referred to in the great lakes 2030 exhibition copy delivery program 2013-operational plan 2015-2016 4 May 2015. **If so, the point is made that the consolidated asset management plan is top down level document based on software used by many Councils to give a broad understanding of asset management. It does not consider detail. It is a guiding document.**
- The great lakes 2030 exhibition copy delivery program 2013-operational plan 2015-2016 4 May 2015, also states that "Council engaged Morrison Low, who conducted the on-site audit, to facilitate a formal Asset Management Improvement program with Council so as to improve its asset management capabilities. This would provide more detailed and reliable data and information on Council's infrastructure assets. "Having read parts of this report it is strongly recommended that Council produce asset life cost plans. I am unaware that any have been produced, and indeed on asking council regarding the proposed waterside renewal project, whether any had been produced or considered for the new assets proposed to be created, I did not receive an answer. My assumption then is that Council did not prepare any. If council did not prepare any, then why are council ignoring the recommendation provided in a report that Council commissioned and paid for? **On the basis of the above, Council need to demonstrate the competence and capability of Council to effectively, and efficiently manage expenditure of any additional funds, raised by a special rate levy.**

The following points may be made to counter my assertion, and I comment as follows:

- **Council has a good financial position** due to sound financial management. (From the office of local government, comparative information on NSW local government – Measuring local government performance – 2012/2013. **Cash expense cover ratio was very low, with a score of 1.1, where group average was 4.3, and Tcorp benchmark was > 3 months** Cash Expense Cover Ratio (%), **Governance and Administration expenditure per Capita was \$377.46, while the group average was \$266.44. This is 41% more than the group average,** and even with this much greater cost for governance and administration, the time to deal with **Development Applications** at great lakes council was 103 mean gross days. Group average was 61 days. Meaning that with a greater administration and governance cost, it took **Almost 70% longer for council to deal with DAs**). If there are continual rate rises, then this is one way that Council can say that it has a sound financial position due to sound

financial management, because any additional funding required for projects / ventures etc. that may not be soundly investigated, is eventually covered from special rate variations.

- Compared to other Councils Great lakes council is in far better shape than others. At the council presentation on 21 May, a number of generalized statements of this nature were made, including comparisons with Port Macquarie council. No benchmarking information was provided in relation to maintenance of roads other than Great Lakes council had better roads, and spent money on them. No detail of how the money spent resulted in better outcomes was provided, and indeed the assertion could be based on the fact that great lakes council spend far more, however the dollar spent per metre for the outcomes was not mentioned. It is easy to throw money at an issue, however if the costs and benefits are not considered, then it is difficult to make an assertion that "Compared to other Councils Great lakes council is in far better shape than others", as this does not tell the story of effectiveness in terms of costs and benefits. See comments above about comparisons with similar councils
- It could be stated that the issues raised and made in this submission "are offensive", which term has been used by council at public information sessions when reasonable questions are asked, in a reasonable way. I make the point that if offense is taken, when points are made backed up by evidence, logic, and put in a reasonable way, then offense is not given. To make a statement that it is offensive is nonsense, and possibly designed to deflect the question, or the point made, in an emotional way.

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Point 2

On page 69 of the document referred to, there is a section headed the need and purpose for the Special Rate Variation which purports to explain the need and purpose. The first is to provide additional funding "to provide a sustainable level of service in terms of its infrastructure and operations." Paragraphs immediately following refer to audits and investigations, resulting in a series of revised asset management plans. Then the section goes on to describe the results of a series of sessions with Council and the Community, including surveys, which council summarized as **"Council proposed, and the community agreed, that all roads within this class (Rural sealed road Network) should be in a 'fair' condition, at a minimum. With 14% of these roads in either a 'poor' or 'failed' condition an injection of approximately \$900,000 per annum was required to eliminate this backlog and then maintain the asset class in a 'fair' condition".**

- There is a statement, **"During 2014 Council commissioned an informed community survey** to obtain information on the service levels that were considered to be acceptable to the community.". A flier headed "Community survey Information" is available on Councils website. This flier gives information on Councils assets, budgets, and results of a survey of condition of the assets, along with council's suggested increase in budgets. There is a corporate publication on Councils website from 2014, (micromex), and it states that it contains the result of sampling 400 people. A statement is made in the report "A sample size of 400 residents" (out of a population of almost 36,000, or 1.1% of the population) "provides a maximum sampling error of approximately +/- 4.9% at 95% confidence" This is not explained. Does this mean that 400 residents sampled are representative of the total Council population with a 95% confidence? Or does it mean something else? **The quadrant analysis from the micromex survey does not indicate that residents wanted to spend more money on rural sealed roads.** In actual fact the words in the report do not appear to agree with the graphics. In the graphic for the quadrant analysis for the rural sealed roads, this item fell into the quadrant **"lower importance"**, however in the part of the report, "specific asset ratings", the statement is made that the "community opinion of the asset class", "...Rural sealed roads have been rated as very important by the community, with a moderate satisfaction level."
- It is also interesting to note that **43% said more should be spent on rural unsealed roads, and 31% on urban roads than council recommended, and 26% stated that more should be**

spent on rural sealed roads. A conclusion could be drawn that a significant number of people believed that Councils position should be to spend more on rural unsealed roads, and urban roads than proposed.

- The survey did **NOT** ask whether people would be happy that the additional funding should come from special rate variations. (They could easily have assumed that budgets for other things, like the GMs salary and other staff salaries would be cut to pay for it. Refer to document previously mentioned about comparison of Councils, where governance and Administration expenditure per Capita was \$377.46 for GLC, while the group average was \$266.44. This is 41% more spent by GLC than the group average)
- One of the two very brief **recommendations** in the report states that Council should **make an application to IPART for a special rate variation**. It is unclear whether this is an opinion of micromex, or data collected from the survey. **If it as an opinion of micromex, and not based on data from the survey questions, then perhaps the whole survey and report should be questioned.**

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The results of a “series of sessions with Council and the Community, including surveys.....” do NOT provide evidence that the community would be happy to spend more on rural sealed road maintenance through a special rate levy.

Point 3

The amounts stated as required to maintain and rehabilitate rural sealed roads do not appear to be justified. Bald statements have been made that **\$900,000 in addition to the existing \$2.03 million are needed. The logic behind this is not known.**

- Council’s budget for maintenance of **rural sealed roads**, without special rate levies was stated as \$2.03m for 261 km, or \$7,777per km pa. With a special rate levy of \$1m pa, then the budget is \$3.03 m pa, or **\$11,609 per km pa**. It is noted that Council continue to seal unsealed rural road pavement, thus creating more rural sealed road pavement. The budget for **rural unsealed roads** is \$695,000 for 432 km. Or, **\$1,608 per km pa** and, only 1% are failed. (Compared with 3% failed for rural sealed roads.) **Why is council continuing to seal unsealed rural road pavements, when they say that the costs to maintain rural sealed roads are 7.21 times more than to maintain unsealed roads.**
- **Information from a recent Tasmanian investigation into road maintenance costs**
 - Maintenance for rural sealed roads is \$2,399 per kilometre, or say \$0.6m pa, for 261 kilometres, in the great lakes council area when a comparison is made
 - Removal and replacement costs are \$406,500 per kilometre
 - Scarify and overlay costs are \$260,000 per kilometre
 - Resurfacing costs are for 1 coat spray seal, \$34,800 per kilometre
- **Deductions**
 - In the worst case, GLC would be completely replacing 2.4 k of rural sealed road every year with the additional funds, of \$1m pa
 - Assuming that “maintenance” is the ongoing maintenance, then council is spending an additional \$1.4 m pa than indicated in the Tasmanian study,(\$2.03m – \$0.6 m) and assuming that this put to scarifying and overlay, then an **additional 5.5 k of road is being upgraded each year, from the existing expenditure.**

- So, taking the assumption that 3% is failed, i.e., less than 8 k, then in one year this could be fixed by totally replacing 2.4 k, and scarifying and overlaying another 5.5 km.

- Information from Inverell Shire council website, <http://www.inverell.nsw.gov.au/images/stories/ISC/Services/Roads%20and%20Traffic/Local%20Roads%20Rehabilitation%20ProgramaV3.pdf> and <http://www.inverell.nsw.gov.au/services/roads-and-traffic.html>
- Inverell Shire Council has a standardized procedure for the assessment and prioritisation of sealed road rehabilitation. This procedure analyses each road segment against seven criteria including roughness, general traffic volume, heavy vehicle volume, seal width, school bus usage, accident history and potential for improved design. The entire sealed network has been assessed and ranked according to these criteria. Indicative annual costs of this program are given in the following table.

| Sealed Local Roads - Whole of Life Capital Replacement Costs | | | | |
|--|--|---|--------------------|----------------------------|
| Length (km) | Annual Reseal Length Required 15 yr cycle (km) | Annual Pavement Rehab Required - 45 yr cycle (km) | Reseal annual cost | Rehabilitation annual cost |
| 323 | 21.5 | 7.2 | \$473,733 | \$1,492,978 |

- Based on a similar situation in GLC, for 261 km of sealed rural roads, annual costs would be 261/323 times \$1.5 m, or \$1.2m per annum for whole of life capital replacement costs. Assume that costs are 20% higher rather than lower, to see what the implication is, then the costs would be \$1.45m per annum.
- **Deductions**
 - The previous annual budget for maintenance of rural sealed roads in GLC was \$2.03 m pa. This was already 40% higher than an inflated figure that Inverell Council allow. There does not appear to be a case for an increase in expenditure via a special rate levy, to \$3.03m pa, where council would then be spending over 100% more.
- Inverell shire council allowed \$17,000 per kilometre for resealing typical rural roads. On page 58 of the GLC operational plan document, it states in a table, that the program "Roads and drainage services", that the summary of budget position – general fund net result after all non-cash, for 2016/2017 is -\$17.5m. If this means that from the general fund, \$17.5m is to be spent on Roads and drainage services, then based on \$17,000 per kilometre to reseal, as a rough guide, Council could reseal in total every road in GLC every year with the money available, if it did nothing else with the money.
- There is no sound case for a special rate variation based on these assumptions

No evidence is provided to justify a special rate variation of \$1m per annum ongoing for maintenance of rural sealed roads.

Point 4

On page 71 "Council is seeking a **4 year variation with the additional revenue to be retained permanently** within Council's general income." A question was asked at the information session on 21 May, "what does this mean?". The answer was that the **additional rates would continue to be collected every year, and not just over four years**. However in table A1-7 of the GLC asset management strategy, Council states, "The current financial projection indicates that an **additional \$900,000 of renewals (Scenario 1) is required annually over the 10 year period.....**" **This is not ongoing. No justification** has been made for an **additional \$1m pa ongoing** in relation to maintaining rural sealed roads

Council may claim that updated figures support the proposal.

If this is the case, no reference to any "revised" asset management plan/ strategy is provided. The figures for maintenance of rural sealed roads indicate that it would be less expensive for ratepayers to rip up much of the sealed road network and replace it with unsealed.

The justification for an ongoing rate increase, with an extra \$1m per annum to cover rural sealed roads is not supported by council's asset management strategy

Point 5

On page 70 of the draft, the following statement appears "From an operational perspective there has been a need for Council to provide **additional professional resources** within its Engineering Division to focus on routine floodplain management, coastal and estuary catchment issues and drainage matters thereby freeing up highly qualified and experienced staff to concentrate on the comprehensive integrated strategic considerations that are involved in this field. It is proposed that a Graduate Engineering position be incorporated within Council's Organisation Structure with the funds sourced through the special rate variation. The amount being sought is \$80,000 per annum." this does not appear to be a reasoned, well thought out argument, or an argument expressed in plain English. It appears to be an opinion, with phrases such as "comprehensive integrated strategic considerations", being used that could perhaps be interpreted as "non routine", as that is the reason for proposing to engage an additional engineer. It would be far more enlightening to understand the **extent of planned "non routine" work required**, what it entails, and how long it will need to go for. Then what happens to the additional staff taken on, when the crisis is resolved. What is the need? Has the work required for "routine floodplain management, coastal and estuary catchment issues and drainage matters" increased? If so, how and why? **Have we got new floodplains, coast lines and estuaries?**

The justification has not been made to raise a special rate variation to pay for an additional engineer.

Point 6

On page 70 of the draft, the following statement appears, "Council has recently adopted an **ICT Strategy** which addresses and plans for the needs of the organisation and increases the effectiveness and efficiencies of the systems and technological infrastructure required to operate a multipurpose local government authority. An amount of **\$100,000 per annum** is to be allocated from the special rate variation to implement various aspects of the ICT Strategy. **If Council has already adopted this ICT strategy, surely it considered the ramifications of cost, and did not just assume that an approval would be given for a rate increase to cover it, or part of it.**

There is no justification for a special rate levy to cover implementation of various aspects of the ICT strategy. The costs would have been considered, within the available budgets, at the time Council adopted the strategy.

Point 7

On page 70 of the draft, the following statement appears, "There are a **number of other smaller items** that Council is also seeking to fund through the special rate variation that are asset related or

designed to improve organisational efficiencies." There **does not appear to be any real consideration of costs** that have been mentioned. For example, a round figures of \$100,000 for playground equipment. Should this be \$50,000 or maybe \$1 million, or zero because ongoing replacement and maintenance would have been budgeted for when the playground asset was created? What is the total cost to replace playground equipment? **Where is the life cost plan?** **These other smaller items that council claim need to be covered by a special ongoing rate increase are not justified, and no evidence has been provided to show how they are justified**

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Point 8

The table on page 72 shows **loan repayments for HQ roof replacement at \$260,000 per year**. Having regard to the statement that the rate increase will be for an ongoing period, **"additional revenue to be retained permanently within Council's general income."**, there is no justification for this to be part of a special rate levy that becomes part of councils **"additional revenue to be retained permanently within Council's general income."** as it is assumed that any loan to replace the roof will be paid off, at a rate of \$260,000 per year pretty quickly. **No figures are given for the costs to replace the roof. No figures are given for a loan amount. No justification for needing a loan are provided. No life cost plan as suggested by the consultants report has been referred to. An amount for repayment of a loan which continues to be collected in rates forever, is not logical. This item should not be included in an application for a special rates levy**

Point 9

The table on page 72 shows **\$32,000 per year for new library operating expenses**. One would expect that **library operating expenses would be reduced for a new library. No reasons appear to be given** as to why the operating expenses for any possible new library need to come from a special rate levy.

This item should not form a basis for raising rates through a special rate variation.

Point 10

The table on page 72 shows Loan Repayments - Road Allocation 2014/2015 \$125,000, and Loan Repayments - Road Allocation 2015/2016 \$125,000. Having regard to the statement that the rate increase will be for an ongoing period, **"additional revenue to be retained permanently within Council's general income."**, there is no justification for this to be part of a special rate levy that becomes part of councils **"additional revenue to be retained permanently within Council's general income."** as it is assumed that any loans would be paid off at some stage.

At a meeting with council staff earlier in 2015, where the Waterside renewal project was discussed, it was stated that some of the funding for works to Memorial drive was coming from LIRS. This is a loan from the State government. It was stated that this loan was being used to "bring works forward". A reasonable assumption from this statement is that council had already planned repayment of this loan from sources that were not from a special rate variation. It is also a reasonable assumption that the amounts indicated on page 72, included repayment of loan monies provided from LIRs. In that case, council is asking via a special rate variation to repay loans, where only in the months prior, and at the time of taking the loan, had already planned to repay from other sources. That is, **council does not need a special rate variation to repay these loans.**

This item should not form a basis for raising rates through a special rate variation.

Point 11

On page 71, there is the statement "There is a **small unallocated amount** contained within each year of this special rate variation which will be utilised to maintain the current predicted budgetary result reduction in service levels Those amounts contained within this special rate variation proposal will assist in maintaining the upwardly trending budget result that was forecast." An amount of \$439,000 plus \$61,500 and \$4,500 added together, as an ongoing rate increase is **NOT a**

small amount, (in total \$505,000 pa ongoing). No real explanation, other than a possible threat that "service levels" will decrease justifies this amount being requested in a special rate variation. **Unless it can be shown that council is incapable of maintaining budgetary results through prudent allocation of funds, good planning and management, this item is not justified.**

In summary, and conclusion.

Page | 9

- **Council has not demonstrated justification for requesting a special rate variation.**
- **Reduction in costs, for example, in governance and administration should be investigated, better management, etc if indeed council believes that it cannot operate within existing parameters.**
- **The present amount paid in rates is significant, and higher than average, with a lower than average ratepayer taxable income. To impose even more rates would be onerous. Council should investigate ways "to live within its means".**
- **The reasoning given for raising an additional \$1m per year with a special rate variation, for maintenance of rural sealed roads, is not convincing. This is so on several grounds.**
 - Council have outlined in various documents that for council it is almost eight times less expensive to maintain unsealed rural roads. On this basis sealed roads should be ripped up, and returned to being unsealed.
 - Council have not demonstrated that \$1m per year ongoing is justified, or indeed supported by any meaningful community consultation, or council's own asset management strategy.
 - Comparable costs with other local governments indicate that the amounts available from a special rate levy that would continue on, are not usual, if the work carried out to seal the road had been completed to an appropriate standard. This would mean that maintenance costs for sealed roads would be expected to be less than for unsealed roads. One of the main reasons usually given by engineers for sealing roads is to reduce maintenance costs.
 - The justification from the results of the micromex survey is as a result of a survey where the respondents do not appear to have been advised that their responses would be used as justification for a special rate variation request.
- **There are other items listed in the graphic on page 72 that do not make sense, including new library operating expenses, loan repayments for HQ roof replacement, graduate engineer, ICT strategy implementation, (where costs would already have been considered with the existing rate structure when council adopted this strategy), Loan repayments for road allocations, that as advised keep on going ad infinitum, of \$250,000 per year.**
- **An amount of over half a million dollars ongoing, being referred to as a "small unallocated amount", for restoration of service levels has not been justified.**

This proposal has no justification.

Council should not request a special rate variation

Yours faithfully



[Agenda Report](#)

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Resolved Items Action Statement

Action is required for the following item as per the Council Decision or Resolution Under Delegated Authority.

Subject: GM - Adoption of 2014/2015 Delivery Program / Operational Plan
Index: Corporate Management - Delivery Program / Operational Plan 2013-2017
Author: Manager Corporate Planning & Governance - Phil Brennan
Ordinary Meeting: 24 June 2014

RECOMMENDATION:

That Council having considered the submissions lodged in relation to the draft 2014/2015 Delivery Program / Operational Plan (including the Statement of Revenue Policy and Fees and Charges Schedule), adopt that plan as its 2014/2015 Operational Plan subject to the following:

- The deletion of the 2014/2015 action related to the Community Builders Grant Scheme.
- A deferral until 30 September 2014 of the implementation of the resolution in relation to transfer of management and maintenance responsibilities to the Crown of certain Public Halls and community facilities so as to allow for a report to be presented to Council addressing the submissions received
- The amendment of the following Waste Management Services fees:
 - Sorted Utilities, Vans - General Waste \$30.00
 - Sorted Utilities, Vans - Clean green waste or commercial recycling \$12.00
 - Unsorted Utilities, Vans \$60.00.

RESOLUTION

(Moved K Hutchinson/Seconded L Vaughan)

That the above recommendation be adopted.

[Agenda Report](#)

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Resolved Items Action Statement

Action is required for the following item as per the Council Decision or Resolution Under Delegated Authority.

Subject: GM - Adoption of 2015/2016 Delivery Program / Operational Plan
Index: Corporate Management - Delivery Program / Operational Plan 2013-2017
Author: Manager Corporate Finance & Planning - Phil Brennan
Ordinary Meeting: 23 June 2015

RECOMMENDATION:

That Council having considered the submissions lodged in relation to the draft 2013-2017 Delivery Program / 2015-2016 Operational Plan (including the Statement of Revenue Policy, Fees and Charges Schedule and 2016-2017 Special Rate Variation Proposal), adopt that plan as its 2013-2017 Delivery Program / 2015-2016 Operational Plan subject to the following:

- The amendment to the following Fees and Charges:
 - Section 603 Certificate - \$75.00
 - Beach Vehicle Permit Fee - Pensioners - \$25.00
 - Asbestos - per tonne Min \$34.00
 - Sorted Weighbridge - General Waste - per tonne Min \$7.00
 - Recyclables - Commercial (subsidised) per tonne Min \$4.00
 - Sorted Weighbridge - Clean Green Waste - per tonne Min \$4.00
 - Unsorted Waste - per tonne Min \$14.00
 - Bricks, tiles, concrete - per tonne Min \$4.00
 - Treated timber - per tonne Min \$14.00
- Further community consultation activities in relation to the 2016-2017 Special Rate Variation Proposal to inform Council's consideration of the matter at the appropriate time.

RESOLUTION

(Moved K Hutchinson/Seconded J Morwitch)

That the above recommendation be adopted.

Subject: GM - Adoption of 2015/2016 Delivery Program / Operational Plan
Index: Corporate Management - Delivery Program / Operational Plan 2013-2017
Author: Manager Corporate Finance & Planning - Phil Brennan
Ordinary Meeting: 23 June 2015

SUMMARY OF REPORT:

This report requires Council to consider submissions from the public on the draft 2015/2016 Delivery Program / Operational Plan. It also proposes the adoption of the 2015/2016 Delivery Program / Operational Plan subject to any amendments that Council may choose to make having considered those submissions.

SUMMARY OF RECOMMENDATION:

That Council having considered the submissions lodged in relation to the draft 2013-2017 Delivery Program / 2015-2016 Operational Plan (including the Statement of Revenue Policy, Fees and Charges Schedule and 2016-2017 Special Rate Variation Proposal), adopt that plan as its 2013-2017 Delivery Program / 2015-2016 Operational Plan subject to the following:

- The amendment to the following Fees and Charges:
 - Section 603 Certificate - \$75.00
 - Beach Vehicle Permit Fee - Pensioners - \$25.00
 - Asbestos - per tonne Min \$34.00
 - Sorted Weighbridge - General Waste - per tonne Min \$7.00
 - Recyclables - Commercial (subsidised) per tonne Min \$4.00
 - Sorted Weighbridge - Clean Green Waste - per tonne Min \$4.00
 - Unsorted Waste - per tonne Min \$14.00
 - Bricks, tiles, concrete - per tonne Min \$4.00
 - Treated timber - per tonne Min \$14.00
- Further community consultation activities in relation to the 2016-2017 Special Rate Variation Proposal to inform Council's consideration of the matter at the appropriate time.

FINANCIAL/RESOURCE IMPLICATIONS:

Financial implications have been discussed within the report.

POLICY IMPLICATIONS:

Nil.

LEGAL IMPLICATIONS:

Consideration of public submissions and adoption of the Delivery Program / Operational Plan before 30 June is required by legislation.

LIST OF ANNEXURES:

- A: Submission from [REDACTED] dated 3 June 2015.
B: Submission from [REDACTED] dated 27 May 2015.

LIST OF ATTACHMENTS:

Nil.

REPORT:

The Local Government Act 1993 requires the following (in part) in relation to the adoption of its Delivery Program and Operational Plan:

404 Delivery Program

(4) A draft delivery program must be placed on public exhibition for a period of at least 28 days and submissions received by council must be considered by the council before the delivery program is adopted by the council.

405 Operational Plan

(1) A council must have a plan (its operational plan) that is adopted before the beginning of each year and details the activities to be engaged in by the council during the year as part of the delivery program covering that year.

(2) An operational plan must include a statement of council's revenue policy for the year covered by the operational plan. The statement of revenue policy must include the statements and particulars required by the regulations.

(3) A council must prepare a draft operational plan and give public notice of the draft indicating that submissions may be made to the council at any time during the period (not less than 28 days) that the draft is to be on public exhibition. The council must publicly exhibit the draft operational plan in accordance with the notice.

(5) In deciding on the final operational plan to be adopted, a council must consider any submissions that have been made concerning the draft plan.

Council considered and resolved to place its draft 2015/2016 Delivery Program / Operational Plan on public exhibition for the required period at its Ordinary Meeting of 28 April 2015. The documents were subsequently advertised and made available for inspection at locations around the Council area and from Council's website. Four public meetings were also convened during the exhibition period, which is part of Council's commitment to provide opportunities for the public to be informed on current issues and plans affecting Council and the community.

Those meetings were held as follows:

- Stroud - Wednesday 6 May 2015 - 28 community members in attendance
- Tea Gardens - Thursday 14 May 2015 - 38 community members in attendance
- Bulahdelah - Wednesday 20 May 2015 - 6 community members in attendance
- Forster - Thursday 21 May 2015 - 35 community members in attendance

The General Manager and Director Corporate & Community Development also conducted television and radio interviews on this issue.

Feedback from the sessions was generally positive on all aspects of Council's proposals including the construction of a new Library in Forster and the special rate variation.

The advertised public exhibition period ran from 4 May 2015 until 5 June 2015. At the close of the exhibition period 5 submissions had been lodged with Council. These submissions will be discussed below.

Submissions:

1. [REDACTED] - "I wish to thank the General Manager, Mayor, Councillors and staff for the informative talk and discussion this morning.

It was pleasing to see such a strong attendance from local community, interest groups and individuals.

This augurs well for getting constructive feedback on your future plans and initiatives.

I appreciated the opportunity to hear more about Council's future directions and issues.

It was a great to see GLC communicating in such an open manner with further opportunities for additional discussions extended where necessary.

I must state that this is a pleasant change from my previous dealings with Inners West Sydney local government".

2. [REDACTED] - "I strongly oppose any increase in our rates which I think are far too high already".

3. [REDACTED] - "I support a new Library building near the Forster Police Station. The library is a valued and well-used facility and its newly proposed location will provide for a much increased space for parking amongst many other positive attributes.

However I would like the civic centre and library to be in the front (on the lake, with views) and the residential buildings to the rear.

If rates have to go up to fix roads then I support this too.

YES - to NEW library on the lake and

YES - to a rate increase to fix roads."

4. [REDACTED] - Commenting on Council's plan to depart from the rates formula to address the fall in valuations such that those properties with a falling valuation will still receive a rate increase. Suggesting that Council should have saved revenue collected in "good times" to offset the "bad times". Suggesting that Council should cancel the plan to re-build a new Library to reduce expenditure. This submission is included as Annexure A.

5. [REDACTED] 9 page submission opposing Council's proposal to seek a special rate variation in 2016/2017. This submission is included as Annexure B.

Comments:

In relation to the submission from [REDACTED] it is apparent that they have misunderstood the manner in which rates are calculated. There has been no change to the formula that Council uses to determine the amount of Ordinary rates levied on each property. As Council is aware a general revaluation often results in swings in individual rates payable by ratepayers as a result of the respective movement in individual valuations against the average movement of valuations. Council's general income as a total increases by the amount of the rate peg however the individual incidence of rates may move in a direction that does not reflect the movement in the valuation.

[REDACTED] submission focusses solely on the proposal to seek a special rate variation from the Independent Pricing and Regulatory Tribunal (IPART) from 2016/2017. He makes no comments in relation to the draft Delivery Program / Operational Plan for 2015/2016.

He raises a number of issues with the special variation proposal including the public consultation conducted to date, the magnitude of the increase proposed, a lack of alternatives for funding other than a special variation, interpretation of the Micromex survey and the conclusions drawn, lack of need for the additional road funding based on his conclusions from applying other asset

data and practices from other local government organisations in Australia and a general lack of evidence or justification for the need for any of the items proposed within the special variation proposal.

As Council is aware it is necessary to include proposals to seek a special rate variation in the Delivery Program / Operational Plan that is adopted in the year prior to lodging an application. There are also community consultation activities that must be carried out to satisfy the IPART that the community is aware of the proposal and its impacts. The consultation conducted to date is the first round, with further activities to be conducted during the first half of 2015/2016 to ensure that the community is properly informed and has had the opportunity to comment on the proposal.

██████ representations will form part of the consideration of submissions received across the various consultation activities conducted on the special variation proposal. This consideration will be towards the end of the year when Council must make a decision on whether to notify the IPART of its intention to seek a special variation. In the interim, the issues that ██████ has raised in his submission will be considered to determine how Council can improve its communication with the community.

After considering the public submission received in relation to the 2013-2017 Delivery Program / 2015/2016 Operational Plan there are no amendments to those plans recommended to Council.

2015/2016 Fees and Charges Schedule

During the exhibition period Council received notification through the Office of Local Government's Circular 15-14 that the Chief Executive has determined the approved fee for a Section 603 Certificate is \$75.00. The draft Fees & Charges Schedule included a fee of \$70.00 with a notation that this fee may change upon notification from the Office of Local Government. As such it is recommended that the draft Fees & Charges Schedule be amended to reflect the approved fee of \$75.00.

The Minister for Local Government has also determined that the maximum amount of interest payable on overdue rates and charges for 2015/2016 is 8.5%. The reports on the making of the rates and charges contain a recommendation for Council to adopt this interest rate.

It has been proposed with the Schedule that the Pensioner Rate for a Vehicle on Beaches Permit in 2015/2016 should be \$30.00. Due to an administrative error the Beach Vehicle Permit renewal notices were recently issued with a fee of \$25.00 for Pensioners. It is recommended that the draft Fees & Charges Schedule be amended to reflect a fee of \$25 for 2015/2016 for a Beach Vehicle Permit for Pensioners.

Council has been advised by the Environmental Protection Authority that from 1 February 2016 all vehicles must be weighed in and out of facilities ie. Tuncurry and Minimbah. The Draft Fees and Charges Schedule contained minimum fees for waste currently weighed over the weighbridge. These minimum charges need to be decreased to cater for small cars and trailers which are not weighed at present. New minimum charges are proposed as follows:

| | |
|--|-------------|
| • Asbestos - per tonne | Min \$34.00 |
| • Sorted Weighbridge - General Waste - per tonne | Min \$7.00 |
| • Recyclables - Commercial (subsidised) per tonne | Min \$4.00 |
| • Sorted Weighbridge - Clean Green Waste - per tonne | Min \$4.00 |
| • Unsorted Waste - per tonne | Min \$14.00 |
| • Bricks, tiles, concrete - per tonne | Min \$4.00 |
| • Treated timber - per tonne | Min \$14.00 |

2015/2016 Budget

There have been no significant changes to the operating environment since the presentation of the draft budget to Council. As such it is recommended that Council adopt the budget position that was presented in the draft Delivery Program / Operational Plan. That position was a balanced budget for 2015/2016. There will obviously be minor amendments of allocations required as a result of information received since the preparation of the budget eg. Mayoral and Councillors Fees, however these amendments can be incorporated within the September 2015 Quarterly Budget Review as ordinarily occurs.

RECOMMENDATION:

That Council having considered the submissions lodged in relation to the draft 2013-2017 Delivery Program / 2015-2016 Operational Plan (including the Statement of Revenue Policy, Fees and Charges Schedule and 2016-2017 Special Rate Variation Proposal), adopt that plan as its 2013-2017 Delivery Program / 2015-2016 Operational Plan subject to the following:

- The amendment to the following Fees and Charges:
 - Section 603 Certificate - \$75.00
 - Beach Vehicle Permit Fee - Pensioners - \$25.00
 - Asbestos - per tonne Min \$34.00
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 - Bricks, tiles, concrete - per tonne Min \$4.00
 - Treated timber - per tonne Min \$14.00
- Further community consultation activities in relation to the 2016-2017 Special Rate Variation Proposal to inform Council's consideration of the matter at the appropriate time.

ANNEXURES:

A: Submission from [REDACTED] dated 3 June 2015.

[REDACTED]

3rd June 2015
The General Manager,
Great Lakes Council,
Breeze Parade,
Forster,
NSW, 2428.

Dear Sir,

RE: Delivery Program and Operational Plan 2015-2016.

I refer to the Council's Plan, in particular the proposed Land Rates as described on page 3 of the "Council Communicator" newsletter received recently.

The item "Land Values and your Rates includes an intention by Council to depart from the Rates formula that I suspect many rate payers understood.

We are all aware that land values in the Pacific Palms area have substantially decreased over the last few years, at our property by 25-30%, much to our disappointment.

From a discussion with a Council Officer in the Rates department we are advised that our rates will increase by 7.4% despite a drop in our property value. Our rates should be reduced to meet the lower Value. Council's Officer explained that the "adjustment" was to make up for the falling Values and therefore lower rate return on beach front property.

When property values were increasing the Council charged, and Residents paid, against the formula as set. Now, with falling Values, Council intends to change the formula to meet the proposed plan that has been developed. This attitude seems to be at odds with the rate pegging Policy overseen by State Government.

The formula for rate increases and decreases should be consistent and Council should have saved the revenue collected in the "good times" to offset the "bad times".

We are in troubled Economic times and we all must take a conservative view of our spending to meet falling revenue targets, therefore Council must do the same, the use of unfair practices to create revenue is not the way forward.

A place to commence reducing expenditure may be by cancelling the plan to re build a new Library away from the Central Business and Shopping District in to the Tourist precinct.

Above all, as rate payers we expect consistency from Government and your current plan does not meet that measure.

We trust that you will understand our position.

Yours faithfully,

[REDACTED]

B: Submission from D Poole dated 27 May 2015.

The General Manager - Great Lakes Council

PO Box 450 Forster

NSW 2428

Wednesday, 27 May 2015

GREAT LAKES COUNCIL

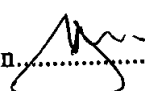
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RECORDS

GREAT LAKES COUNCIL

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Sign. 

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Re: submission - Draft Delivery Program 2013-2017 /
Operational Plan 2015-2016



This **submission** relates specifically to Great Lakes Council, Special rate variation proposal, described in Section 5, pages 69 onwards, of the document.

experience and qualifications provide evidence of competency and capability to make this submission, **opposing Council's proposal to seek a special rate variation.**

The tone and style of public consultation to date

Newspaper

There have not been any publication of letters to the editor in the local newspaper the great Lakes advocate, on either 20 May or 27 May; hence it is not known whether the public have any objections that they wish the community to know about in relation to council's plans. And, just in case someone says there have been no letters forwarded, then I can say that there have been letters forwarded, within the time limits, and in the format required, for publication.

On Wednesday, 20 May and Wednesday, 27 May, the newspaper contained **articles** about a special rate variation, **reporting on council comments.**

For example, on Wednesday, 20 May, on page 9, under a heading 'council consults the community on a range of issues', the following is stated, 'Council is seeking an 8% cumulative rate rise over four years as part of its **push to remain an independent body**', and later the general manager is reported as saying 'in **addressing a backlog of works**, we have applied for the rate rise, and at the moment I think that people understand it and are supportive of it'.

On 27 May, on page 2, under the heading, 'rates rise to fix rural roads', the following statement is made '**rural roads would be fixed with funds raised through a rate rise in the 2016/2017 financial year**', the article then goes on to say 'it will ask the Independent pricing and regulatory Tribunal to approve a 3.5% rise over the rate pegged mark in 2016/17 and 1.25% increases over the set limit every year until 2020'. This is confusing, as readers may think that all rural roads are fixed in the 2016/2007 financial year. It would help to be more clear and state that the rate rises for the 2016

/2017 financial year would be ongoing. To then state that this additional rate revenue will ensure that all rural roads will be maintained at a good level all of the time. Then to point out why.

It is confusing to see the council reported on one week as saying that they are seeking a rate rise over four years, in a push to remain an independent body, and then later in the same article, saying that it is to cover a backlog of works. **It would be illuminating for council to be reported as seeking a rate rise of over 20% over a four-year period.**

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The articles do not mention that monies raised by a special rate variation, are to cover **repayment of loans**. This is especially concerning when the amounts stated as to repay loans are in the vicinity of **\$0.5million**. **Even more concerning is that this will be part of the council's ongoing budget, and not for a set time.**

Introduction

The main point of the opposition is that the **proposal appears to be unsupported by the reasons given**. Councils comment at start of the plan that it is **business as usual**, is unfortunate. If "business as usual", includes proposals for **special rate variations that are not supported by any reasonable logic then this is unfortunate, to say the least.**

Other reasons include

- That the **increase in rates is onerous**, where ratepayers already pay very high rates, especially compared to income. (From the office of local government document, "Comparative information on NSW local government – Measuring local government performance – 2012/2013". Average ordinary residential rates for GLC was \$1015.66, while the group average was \$878.05. This is 15% higher than the group average. The average taxable income in GLC was \$34,435, while the group average was \$40,087. This is only 85% of the group average.)
- That there is **no evidence that council has attempted to seek alternatives** to a rate increase to achieve financial goals. Alternatives may include, but not be limited to, planning expenditure that is with the existing capacity to meet that expenditure without a rate increase (a simple example, may include deferring or cancelling developer activities such as design and construction of a new library and residential accommodation on a site that Council has named the Civic precinct, and instead spending funds available on other necessary items, such as rehabilitation existing assets such as failed road pavements. This achieves two goals immediately. It restricts the creation of new assets that increase the ongoing maintenance and rehabilitation requirements. It frees up funding within the existing income stream to better maintain existing assets). Other examples may include reviewing the processes, systems, procedures and leadership within the council organization to achieve better efficiencies.
- That Council included **the proposal in a document that most ratepayers would not be expected to realise** included a section on Councils **proposal for a special rate variation**. The wording of the proposal, and graphics could easily be misunderstood. The public sessions across council area were mentioned in "Council's Communicator" however the issue of a proposed special rate variation was not mentioned.

The need and purpose for the Special Rate Variation

Point 1

On page 69 of the document referred to, there is a section headed the need and purpose for the Special Rate Variation which purports to explain the need and purpose. The first is to provide additional funding "to provide a sustainable level of service in terms of its infrastructure and operations." The following paragraphs go on to cover outcomes of audits and investigations into asset management practices.

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- There is a paragraph "The result of this work was a **series of revised Asset Management Plans** that identified the funding requirements to bring the various classes of infrastructure up to a particular standard (or service level) and to maintain them at that standard." I refer to my presentation to Council [REDACTED] where I stated I had requested in an email to the appropriate council officer, that any more detail on asset management plans that was available, or had been produced other than the consolidated asset management plan, version 2 December 2014, could be made available to me. I have not received a reply. My assumption is that there is no more detail. On this basis I am assuming that the consolidated asset management plan purports to include the ".....series of revised Asset Management Plans" Referred to in the great lakes 2030 exhibition copy delivery program 2013-operational plan 2015-2016 4 May 2015. **If so, the point is made that the consolidated asset management plan is top down level document based on software used by many Councils to give a broad understanding of asset management. It does not consider detail. It is a guiding document.**
- The great lakes 2030 exhibition copy delivery program 2013-operational plan 2015-2016 4 May 2015, also states that "Council engaged Morrison Low, who conducted the on-site audit, to facilitate a formal Asset Management Improvement program with Council so as to improve its asset management capabilities. This would provide more detailed and reliable data and information on Council's infrastructure assets. "Having read parts of this report it is strongly recommended that Council produce asset life cost plans. I am unaware that any have been produced, and indeed on asking council regarding the proposed waterside renewal project, whether any had been produced or considered for the new assets proposed to be created, I did not receive an answer. My assumption then is that Council did not prepare any. If council did not prepare any, then why are council ignoring the recommendation provided in a report that Council commissioned and paid for? **On the basis of the above, Council need to demonstrate the competence and capability of Council to effectively, and efficiently manage expenditure of any additional funds, raised by a special rate levy.**

The following points may be made to counter my assertion, and I comment as follows:

- **Council has a good financial position** due to sound financial management. (From the office of local government, comparative information on NSW local government – Measuring local government performance – 2012/2013. **Cash expense cover ratio was very low, with a score of 1.1, where group average was 4.3, and Tcorp benchmark was > 3 months** Cash Expense Cover Ratio (%), **Governance and Administration expenditure** per Capita was \$377.46, while the group average was \$266.44. This is **41% more than the group average**, and even with this much greater cost for governance and administration, the time to deal with **Development Applications** at great lakes council was 103 mean gross days. Group average was 61 days. Meaning that with a greater administration and governance cost, it took **Almost 70% longer for council to deal with DAs**). If there are continual rate rises, then this is one way that Council can say that it has a sound financial position due to sound

financial management, because any additional funding required for projects / ventures etc. that may not be soundly investigated, is eventually covered from special rate variations.

- Compared to other Councils Great lakes council is in far better shape than others. At the council presentation on 21 May, a number of generalized statements of this nature were made, including comparisons with Port Macquarie council. No benchmarking information was provided in relation to maintenance of roads other than Great Lakes council had better roads, and spent money on them. No detail of how the money spent resulted in better outcomes was provided, and indeed the assertion could be based on the fact that great lakes council spend far more, however the dollar spent per metre for the outcomes was not mentioned. It is easy to throw money at an issue, however if the costs and benefits are not considered, then it is difficult to make an assertion that "Compared to other Councils Great lakes council is in far better shape than others", as this does not tell the story of effectiveness in terms of costs and benefits. See comments above about comparisons with similar councils
- It could be stated that the issues raised and made in this submission "are offensive", which term has been used by council at public information sessions when reasonable questions are asked, in a reasonable way. I make the point that if offense is taken, when points are made backed up by evidence, logic, and put in a reasonable way, then offense is not given. To make a statement that it is offensive is nonsense, and possibly designed to deflect the question, or the point made, in an emotional way.

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Point 2

On page 69 of the document referred to, there is a section headed the need and purpose for the Special Rate Variation which purports to explain the need and purpose. The first is to provide additional funding "to provide a sustainable level of service in terms of its infrastructure and operations." Paragraphs immediately following refer to audits and investigations, resulting in a series of revised asset management plans. Then the section goes on to describe the results of a series of sessions with Council and the Community, including surveys, which council summarized as **"Council proposed, and the community agreed, that all roads within this class (Rural sealed road Network) should be in a 'fair' condition, at a minimum. With 14% of these roads in either a 'poor' or 'failed' condition an injection of approximately \$900,000 per annum was required to eliminate this backlog and then maintain the asset class in a 'fair' condition"**.

- There is a statement, **"During 2014 Council commissioned an informed community survey** to obtain information on the service levels that were considered to be acceptable to the community.". A flier headed "Community survey Information" is available on Councils website. This flier gives information on Councils assets, budgets, and results of a survey of condition of the assets, along with council's suggested increase in budgets. There is a corporate publication on Councils website from 2014, (micromex), and it states that it contains the result of sampling 400 people. A statement is made in the report "A sample size of 400 residents" (out of a population of almost 36,000, or 1.1% of the population) "provides a maximum sampling error of approximately +/- 4.9% at 95% confidence" This is not explained. Does this mean that 400 residents sampled are representative of the total Council population with a 95% confidence? Or does it mean something else? **The quadrant analysis from the micromex survey does not indicate that residents wanted to spend more money on rural sealed roads.** In actual fact the words in the report do not appear to agree with the graphics. In the graphic for the quadrant analysis for the rural sealed roads, this item fell into the quadrant **"lower importance"**, however in the part of the report, "specific asset ratings", the statement is made that the "community opinion of the asset class", "...Rural sealed roads have been rated as very important by the community, with a moderate satisfaction level."
- It is also interesting to note that **43% said more should be spent on rural unsealed roads, and 31% on urban roads than council recommended, and 26% stated that more should be**

spent on rural sealed roads. A conclusion could be drawn that a significant number of people believed that Councils position should be to spend more on rural unsealed roads, and urban roads than proposed.

- The survey did **NOT** ask whether people would be happy that the additional funding should come from special rate variations. (They could easily have assumed that budgets for other things, like the GMs salary and other staff salaries would be cut to pay for it. Refer to document previously mentioned about comparison of Councils, where governance and Administration expenditure per Capita was \$377.46 for GLC, while the group average was \$266.44. This is 41% more spent by GLC than the group average)
- One of the two very brief **recommendations** in the report states that Council should **make an application to IPART for a special rate variation**. It is unclear whether this is an opinion of micromex, or data collected from the survey. **If it as an opinion of micromex, and not based on data from the survey questions, then perhaps the whole survey and report should be questioned.**

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The results of a “series of sessions with Council and the Community, including surveys.....” do NOT provide evidence that the community would be happy to spend more on rural sealed road maintenance through a special rate levy.

Point 3

The amounts stated as required to maintain and rehabilitate rural sealed roads do not appear to be justified. Bald statements have been made that **\$900,000 in addition to the existing \$2.03 million are needed. The logic behind this is not known.**

- Council’s budget for maintenance of **rural sealed roads**, without special rate levies was stated as \$2.03m for 261 km, or \$7,777per km pa. With a special rate levy of \$1m pa, then the budget is \$3.03 m pa, or **\$11,609 per km pa**. It is noted that Council continue to seal unsealed rural road pavement, thus creating more rural sealed road pavement. The budget for **rural unsealed roads** is \$695,000 for 432 km. Or, **\$1,608 per km pa** and, only 1% are failed. (Compared with 3% failed for rural sealed roads.) **Why is council continuing to seal unsealed rural road pavements, when they say that the costs to maintain rural sealed roads are 7.21 times more than to maintain unsealed roads.**
- **Information from a recent Tasmanian investigation into road maintenance costs**
 - Maintenance for rural sealed roads is \$2,399 per kilometre, or say \$0.6m pa, for 261 kilometres, in the great lakes council area when a comparison is made
 - Removal and replacement costs are \$406,500 per kilometre
 - Scarify and overlay costs are \$260,000 per kilometre
 - Resurfacing costs are for 1 coat spray seal, \$34,800 per kilometre
- **Deductions**
 - In the worst case, GLC would be completely replacing 2.4 k of rural sealed road every year with the additional funds, of \$1m pa
 - Assuming that “maintenance” is the ongoing maintenance, then council is spending an additional \$1.4 m pa than indicated in the Tasmanian study,(\$2.03m – \$0.6 m) and assuming that this put to scarifying and overlay, then an **additional 5.5 k of road is being upgraded each year, from the existing expenditure.**

- So, taking the assumption that 3% is failed, i.e., less than 8 k, then in one year this could be fixed by totally replacing 2.4 k, and scarifying and overlaying another 5.5 km.

- Information from Inverell Shire council website, <http://www.inverell.nsw.gov.au/images/stories/ISC/Services/Roads%20and%20Traffic/Local%20Roads%20Rehabilitation%20ProgramaV3.pdf> and <http://www.inverell.nsw.gov.au/services/roads-and-traffic.html>
- Inverell Shire Council has a standardized procedure for the assessment and prioritisation of sealed road rehabilitation. This procedure analyses each road segment against seven criteria including roughness, general traffic volume, heavy vehicle volume, seal width, school bus usage, accident history and potential for improved design. The entire sealed network has been assessed and ranked according to these criteria. Indicative annual costs of this program are given in the following table.

| Sealed Local Roads - Whole of Life Capital Replacement Costs | | | | |
|--|--|---|--------------------|----------------------------|
| Length (km) | Annual Reseal Length Required 15 yr cycle (km) | Annual Pavement Rehab Required - 45 yr cycle (km) | Reseal annual cost | Rehabilitation annual cost |
| 323 | 21.5 | 7.2 | \$473,733 | \$1,492,978 |

- Based on a similar situation in GLC, for 261 km of sealed rural roads, annual costs would be 261/323 times \$1.5 m, or \$1.2m per annum for whole of life capital replacement costs. Assume that costs are 20% higher rather than lower, to see what the implication is, then the costs would be \$1.45m per annum.
- **Deductions**
 - The previous annual budget for maintenance of rural sealed roads in GLC was \$2.03 m pa. This was already 40% higher than an inflated figure that Inverell Council allow. There does not appear to be a case for an increase in expenditure via a special rate levy, to \$3.03m pa, where council would then be spending over 100% more.
- Inverell shire council allowed \$17,000 per kilometre for resealing typical rural roads. On page 58 of the GLC operational plan document, it states in a table, that the program "Roads and drainage services", that the summary of budget position – general fund net result after all non-cash, for 2016/2017 is -\$17.5m. If this means that from the general fund, \$17.5m is to be spent on Roads and drainage services, then based on \$17,000 per kilometre to reseal, as a rough guide, Council could reseal in total every road in GLC every year with the money available, if it did nothing else with the money.
- There is no sound case for a special rate variation based on these assumptions

No evidence is provided to justify a special rate variation of \$1m per annum ongoing for maintenance of rural sealed roads.

Point 4

On page 71 "Council is seeking a **4 year variation with the additional revenue to be retained permanently** within Council's general income." A question was asked at the information session on 21 May, "what does this mean?". The answer was that the **additional rates would continue to be collected every year, and not just over four years**. However in table A1-7 of the GLC asset management strategy, Council states, "The current financial projection indicates that an **additional \$900,000 of renewals (Scenario 1) is required annually over the 10 year period.....**" **This is not ongoing. No justification** has been made for an **additional \$1m pa ongoing** in relation to maintaining rural sealed roads

Council may claim that updated figures support the proposal.

If this is the case, no reference to any "revised" asset management plan/ strategy is provided. The figures for maintenance of rural sealed roads indicate that it would be less expensive for ratepayers to rip up much of the sealed road network and replace it with unsealed.

The justification for an ongoing rate increase, with an extra \$1m per annum to cover rural sealed roads is not supported by council's asset management strategy

Point 5

On page 70 of the draft, the following statement appears "From an operational perspective there has been a need for Council to provide **additional professional resources** within its Engineering Division to focus on routine floodplain management, coastal and estuary catchment issues and drainage matters thereby freeing up highly qualified and experienced staff to concentrate on the comprehensive integrated strategic considerations that are involved in this field. It is proposed that a Graduate Engineering position be incorporated within Council's Organisation Structure with the funds sourced through the special rate variation. The amount being sought is \$80,000 per annum." this does not appear to be a reasoned, well thought out argument, or an argument expressed in plain English. It appears to be an opinion, with phrases such as "comprehensive integrated strategic considerations", being used that could perhaps be interpreted as "non routine", as that is the reason for proposing to engage an additional engineer. It would be far more enlightening to understand the **extent of planned "non routine" work required**, what it entails, and how long it will need to go for. Then what happens to the additional staff taken on, when the crisis is resolved. What is the need? Has the work required for "routine floodplain management, coastal and estuary catchment issues and drainage matters" increased? If so, how and why? **Have we got new floodplains, coast lines and estuaries?**

The justification has not been made to raise a special rate variation to pay for an additional engineer.

Point 6

On page 70 of the draft, the following statement appears, "Council has recently adopted an **ICT Strategy** which addresses and plans for the needs of the organisation and increases the effectiveness and efficiencies of the systems and technological infrastructure required to operate a multipurpose local government authority. An amount of **\$100,000 per annum** is to be allocated from the special rate variation to implement various aspects of the ICT Strategy. **If Council has already adopted this ICT strategy, surely it considered the ramifications of cost, and did not just assume that an approval would be given for a rate increase to cover it, or part of it.**

There is no justification for a special rate levy to cover implementation of various aspects of the ICT strategy. The costs would have been considered, within the available budgets, at the time Council adopted the strategy.

Point 7

On page 70 of the draft, the following statement appears, "There are a **number of other smaller items** that Council is also seeking to fund through the special rate variation that are asset related or

designed to improve organisational efficiencies." There **does not appear to be any real consideration of costs** that have been mentioned. For example, a round figures of \$100,000 for playground equipment. Should this be \$50,000 or maybe \$1 million, or zero because ongoing replacement and maintenance would have been budgeted for when the playground asset was created? What is the total cost to replace playground equipment? **Where is the life cost plan?** **These other smaller items that council claim need to be covered by a special ongoing rate increase are not justified, and no evidence has been provided to show how they are justified**

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Point 8

The table on page 72 shows **loan repayments for HQ roof replacement at \$260,000 per year**. Having regard to the statement that the rate increase will be for an ongoing period, **"additional revenue to be retained permanently within Council's general income."**, there is no justification for this to be part of a special rate levy that becomes part of councils **"additional revenue to be retained permanently within Council's general income."** as it is assumed that any loan to replace the roof will be paid off, at a rate of \$260,000 per year pretty quickly. **No figures are given for the costs to replace the roof. No figures are given for a loan amount. No justification for needing a loan are provided. No life cost plan as suggested by the consultants report has been referred to. An amount for repayment of a loan which continues to be collected in rates forever, is not logical. This item should not be included in an application for a special rates levy**

Point 9

The table on page 72 shows **\$32,000 per year for new library operating expenses**. One would expect that **library operating expenses would be reduced for a new library. No reasons appear to be given** as to why the operating expenses for any possible new library need to come from a special rate levy.

This item should not form a basis for raising rates through a special rate variation.

Point 10

The table on page 72 shows Loan Repayments - Road Allocation 2014/2015 \$125,000, and Loan Repayments - Road Allocation 2015/2016 \$125,000. Having regard to the statement that the rate increase will be for an ongoing period, **"additional revenue to be retained permanently within Council's general income."**, there is no justification for this to be part of a special rate levy that becomes part of councils **"additional revenue to be retained permanently within Council's general income."** as it is assumed that any loans would be paid off at some stage.

At a meeting with council staff earlier in 2015, where the Waterside renewal project was discussed, it was stated that some of the funding for works to Memorial drive was coming from LIRS. This is a loan from the State government. It was stated that this loan was being used to "bring works forward". A reasonable assumption from this statement is that council had already planned repayment of this loan from sources that were not from a special rate variation. It is also a reasonable assumption that the amounts indicated on page 72, included repayment of loan monies provided from LIRs. In that case, council is asking via a special rate variation to repay loans, where only in the months prior, and at the time of taking the loan, had already planned to repay from other sources. That is, **council does not need a special rate variation to repay these loans.**

This item should not form a basis for raising rates through a special rate variation.

Point 11

On page 71, there is the statement "There is a **small unallocated amount** contained within each year of this special rate variation which will be utilised to maintain the current predicted budgetary result reduction in service levels Those amounts contained within this special rate variation proposal will assist in maintaining the upwardly trending budget result that was forecast." An amount of \$439,000 plus \$61,500 and \$4,500 added together, as an ongoing rate increase is **NOT a**

small amount, (in total \$505,000 pa ongoing). No real explanation, other than a possible threat that "service levels" will decrease justifies this amount being requested in a special rate variation. **Unless it can be shown that council is incapable of maintaining budgetary results through prudent allocation of funds, good planning and management, this item is not justified.**

In summary, and conclusion.

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- Council has not demonstrated justification for requesting a special rate variation.
- Reduction in costs, for example, in governance and administration should be investigated, better management, etc if indeed council believes that it cannot operate within existing parameters.
- The present amount paid in rates is significant, and higher than average, with a lower than average ratepayer taxable income. To impose even more rates would be onerous. Council should investigate ways "to live within its means".
- The reasoning given for raising an additional \$1m per year with a special rate variation, for maintenance of rural sealed roads, is not convincing. This is so on several grounds.
 - Council have outlined in various documents that for council it is almost eight times less expensive to maintain unsealed rural roads. On this basis sealed roads should be ripped up, and returned to being unsealed.
 - Council have not demonstrated that \$1m per year ongoing is justified, or indeed supported by any meaningful community consultation, or council's own asset management strategy.
 - Comparable costs with other local governments indicate that the amounts available from a special rate levy that would continue on, are not usual, if the work carried out to seal the road had been completed to an appropriate standard. This would mean that maintenance costs for sealed roads would be expected to be less than for unsealed roads. One of the main reasons usually given by engineers for sealing roads is to reduce maintenance costs.
 - The justification from the results of the micromex survey is as a result of a survey where the respondents do not appear to have been advised that their responses would be used as justification for a special rate variation request.
- There are **other items listed** in the graphic on page 72 that **do not make sense**, including new library operating expenses, loan repayments for HQ roof replacement, graduate engineer, ICT strategy implementation, (where costs would already have been considered with the existing rate structure when council adopted this strategy), Loan repayments for road allocations, that as advised keep on going ad infinitum, of \$250,000 per year.
- An amount of **over half a million dollars ongoing**, being referred to as a "small unallocated amount", for restoration of service levels has not been justified.

This proposal has no justification.

Council should not request a special rate variation

Yours faithfully



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Resolved Items Action Statement

Action is required for the following item as per the Council Decision or Resolution Under Delegated Authority.

Subject: CCD - Draft Delivery Program / Operational Plan for 2015/2016
Index: Corporate Management; Delivery Program / Operational Plan 2013-17
Author: Manager Corporate Finance & Planning – Phil Brennan
Ordinary Meeting: 28 April 2015

RECOMMENDATION:

1. That Council place the draft 2013-2017 Delivery Program and 2015-2016 Operational Plan on public exhibition for a period of not less than 28 days to allow for consideration of its content by the public and the lodgement of submissions during the exhibition period.
2. That Council note the updated Workforce Management Plan.
3. That Council adopt the revised Asset Management Strategy and associated Asset Management Policy.
4. That Council note the updated Long Term Financial Plan incorporating scenarios for a possible special rate variation application to the Independent Pricing & Regulatory Tribunal to commence in the 2016-2017 financial year.
5. That Council commence community consultation activities in relation to the proposed section 508A special rate variation application to be lodged with the IPART for the 2016-2017 financial period.

RESOLUTION

(Moved L Roberts/Seconded C McCaskie)

That the above recommendation be adopted.

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Resolved Items Action Statement

Action is required for the following item as per the Council Decision or Resolution Under Delegated Authority.

Subject: GM - Adoption of 2014/2015 Delivery Program / Operational Plan
Index: Corporate Management - Delivery Program / Operational Plan 2013-2017
Author: Manager Corporate Planning & Governance - Phil Brennan
Ordinary Meeting: 24 June 2014

RECOMMENDATION:

That Council having considered the submissions lodged in relation to the draft 2014/2015 Delivery Program / Operational Plan (including the Statement of Revenue Policy and Fees and Charges Schedule), adopt that plan as its 2014/2015 Operational Plan subject to the following:

- The deletion of the 2014/2015 action related to the Community Builders Grant Scheme.
- A deferral until 30 September 2014 of the implementation of the resolution in relation to transfer of management and maintenance responsibilities to the Crown of certain Public Halls and community facilities so as to allow for a report to be presented to Council addressing the submissions received
- The amendment of the following Waste Management Services fees:
 - Sorted Utilities, Vans - General Waste \$30.00
 - Sorted Utilities, Vans - Clean green waste or commercial recycling \$12.00
 - Unsorted Utilities, Vans \$60.00.

RESOLUTION

(Moved K Hutchinson/Seconded L Vaughan)

That the above recommendation be adopted.

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Resolved Items Action Statement

Action is required for the following item as per the Council Decision or Resolution Under Delegated Authority.

Subject: ES - Asset Management Plan

Index: Corporate Planning – Resourcing Strategy, Asset Management Planning

Author: Director Engineering Services – Ron Hartley

Ordinary Meeting: 9 December 2014

RECOMMENDATION:

1. The draft Asset Management Plan be adopted.
2. An additional \$1 million be allocated towards the rural sealed roads rehabilitation program within the Long Term Financial Plan.

RESOLUTION

(Moved K Hutchinson/Seconded L Vaughan)

That:

1. The draft Asset Management Plan be adopted.
 2. A funding source for the additional \$1 million required for the Rural Road Rehabilitation Program be identified and reported back to Council in the development of the Delivery Program.
-

GM - Endorsement of Community Strategic Plan - Great Lakes 2030

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Resolved Items Action Statement

Action is required for the following item as per the Council Decision or Resolution Under Delegated Authority.

Subject: GM - Endorsement of Community Strategic Plan - Great Lakes 2030
Index: Great Lakes Community Strategic Plan - Great Lakes 2030
Author: Manager Corporate Planning & Governance - Phil Brennan
Ordinary Meeting: 25 June 2013

RECOMMENDATION:

That Council endorse the Community Strategic Plan - Great Lakes 2030.

RESOLUTION

(Moved K Hutchinson/Seconded A Summers)

That the above recommendation be adopted.

GM - Endorsement of Community Strategic Plan - Great Lakes 2030

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Resolved Items Action Statement

Action is required for the following item as per the Council Decision or Resolution Under Delegated Authority.

Subject: GM - Endorsement of Community Strategic Plan - Great Lakes 2030
Index: Great Lakes Community Strategic Plan - Great Lakes 2030
Author: Manager Corporate Planning & Governance - Phil Brennan
Ordinary Meeting: 25 June 2013

RECOMMENDATION:

That Council endorse the Community Strategic Plan - Great Lakes 2030.

RESOLUTION

(Moved K Hutchinson/Seconded A Summers)

That the above recommendation be adopted.
