



Welcome

Proposed Special Rate Variation
community consultation

Casino and Evans Head
4 & 6 February 2019



Agenda

1. Welcome
2. Presentation of options
3. Have your say
4. Next steps
5. Thank you



Our plans for the future



Richmond Valley Made 2030
Community Strategic Plan

Adopted 27 June 2017
(Version 7 - 23 January 2016)



Revised Delivery Program 2017/2021
Adopted by Council 26 June 2018



Operational Plan 2018/2019 (including
Financial Estimates 2018/2022)
Adopted by Council 26 June 2018



Our progress reports



Community projects





SCCF – government grants

Round 1 Stronger Country Community Fund (awarded in early 2018) yielded five successfully funded projects for Richmond Valley Council:

- \$101,990 to complete the fitout of the clubhouse for Evans Head Tennis Clubhouse
- \$267,833 for a modern catering and amenities block at Casino Showground
- \$201,926 for 'Fit for Parks' - outdoor gyms for Crawford Square, Casino, and Evans Head riverside
- \$152,028 for stage one for the revitalisation of Casino Civic Hall
- \$131,785 to upgrade the Broadwater outdoor youth space and park

Total: \$855,562



SCCF – government grants

Round 2 Stronger Country Community Fund (awarded in late 2018) saw six successfully funded projects for Richmond Valley Council:

- | | |
|--|---|
| • \$551,776 for Woodburn
Riverside Park playground and
central hub Area | • \$95,053 for Coraki Hockey Club
training facilities – Windsor Park
revitalisation |
| • \$309,884 for Stan Payne Oval
sporting facility enhancement
with grandstand upgrade and
security bollards | • \$98,714 for Woodburn
Recreation Oval enhancement of
sporting facilities |
| • \$185,765 for Evans Head Main
Beach access enhancement | |
| • \$479,717 for Queen Elizabeth
Park sporting complex
enhancement | |

Total: \$1,720,909

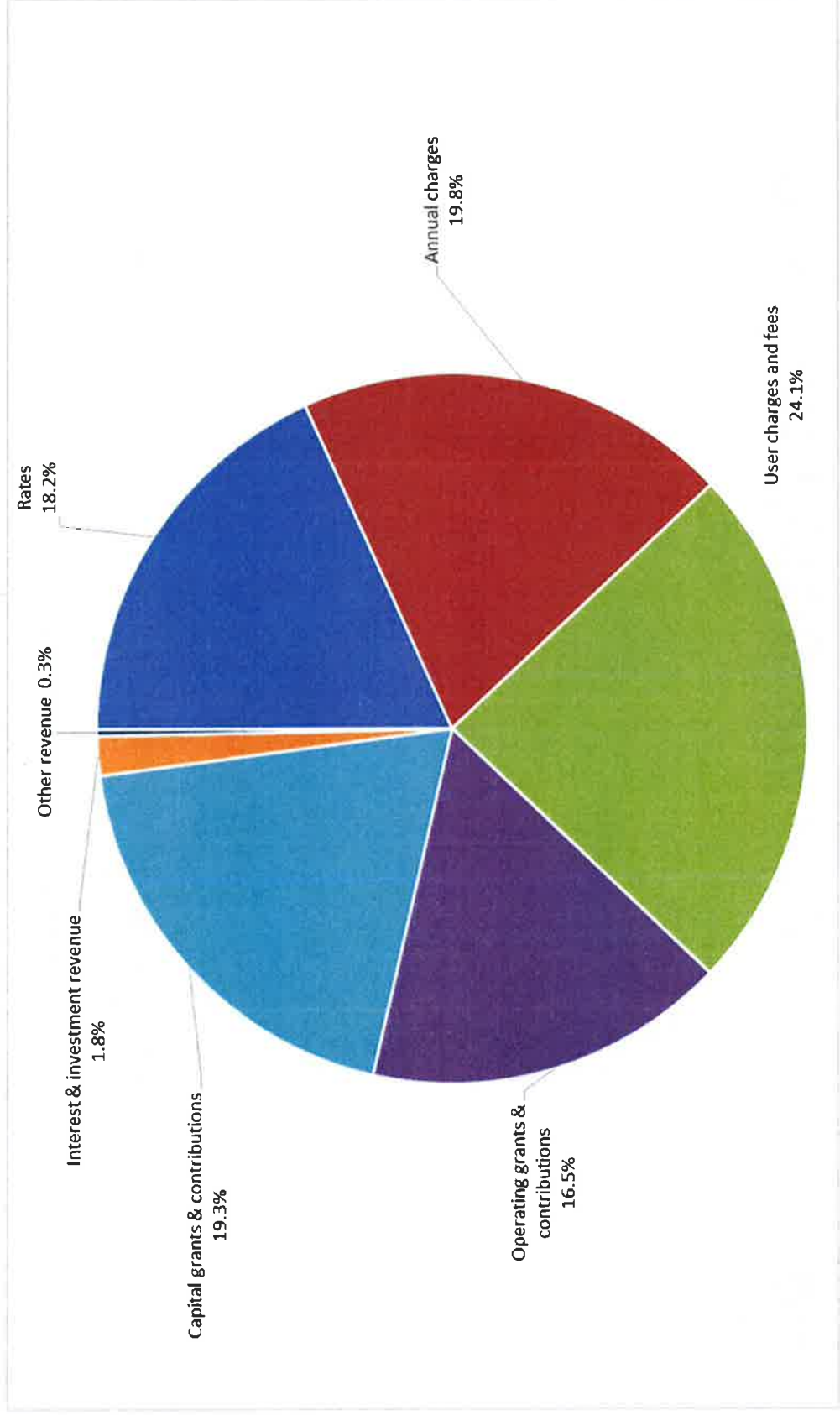


Where does our rates revenue come from?

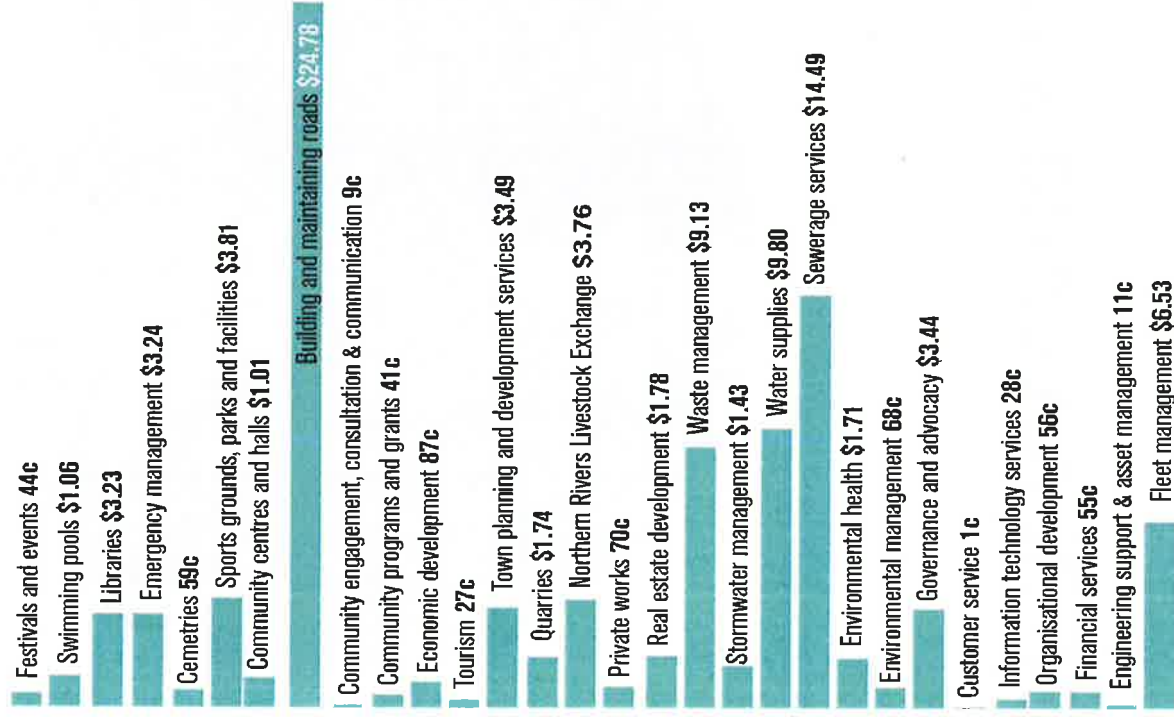
- Total annual revenue in 2018/19 is \$55.5 million
- Total rates revenue in 2018/19 is \$12.4 million
 - Casino & surrounds 60%
 - Evans Head & surrounds 20%
 - Other towns/villages and rural areas 20%



Council revenue sources



Council spending per \$100





2014/15 – 2018/19 5 year SRV highlights

- In total it generated \$7.8 million (including rate peg) and rates increased over a five-year period by 37%
- An extra \$5.534 million spent on our road network
- An extra \$760,000 spent on infrastructure in our parks and gardens
- \$745,000 spent on additional services
- An extra \$3.685 million spent on new capital projects



2014-15/2018-19 SRV projects

Expenditure includes all CSP projects plus maintenance increases and organisation capacity		TOTAL Expenditure
RENEWALS		
Sealed road rehabilitation		\$5,000,000
Gravel road re-sheeting		\$534,988
Playground replacement - replace non complying equipment and replace softfall		\$60,000
Public toilet refurbishment		\$200,000
Renewal Council facilities and parks.		\$500,000
TOTAL RENEWALS (LOAN FUNDED)		\$6,294,988
ADDITIONAL SERVICE		
Casino riverbank presentation		\$250,000
Sealing of unsealed urban roads		\$375,000
Cultural and art facilities.		\$120,000
TOTAL ADDITIONAL SERVICE		\$745,000



2014-15/2018-19 SRV projects

Expenditure includes all CSP projects plus maintenance increases and organisation capacity	TOTAL Expenditure
CAPITAL IMPROVEMENTS	
Casino Drill Hall and riverfront amphitheatre project	\$1,050,000
Evans Head public amenities upgrades 2018/19	\$470,000
Woodburn riverside park upgrade	\$500,000
Coraki riverfront upgrade	\$355,000
Casino Showground upgrades	\$100,000
Casino car parking	\$580,000
Evans Head skatepark	\$100,000
Crawford Square regional park	\$150,000
Woodburn skatepark	\$80,000
Casino skatepark	\$240,000
Town entrance signage	\$60,000
TOTAL CAPITAL IMPROVEMENTS	\$3,685,000



2014-15/2018-19 SRV projects

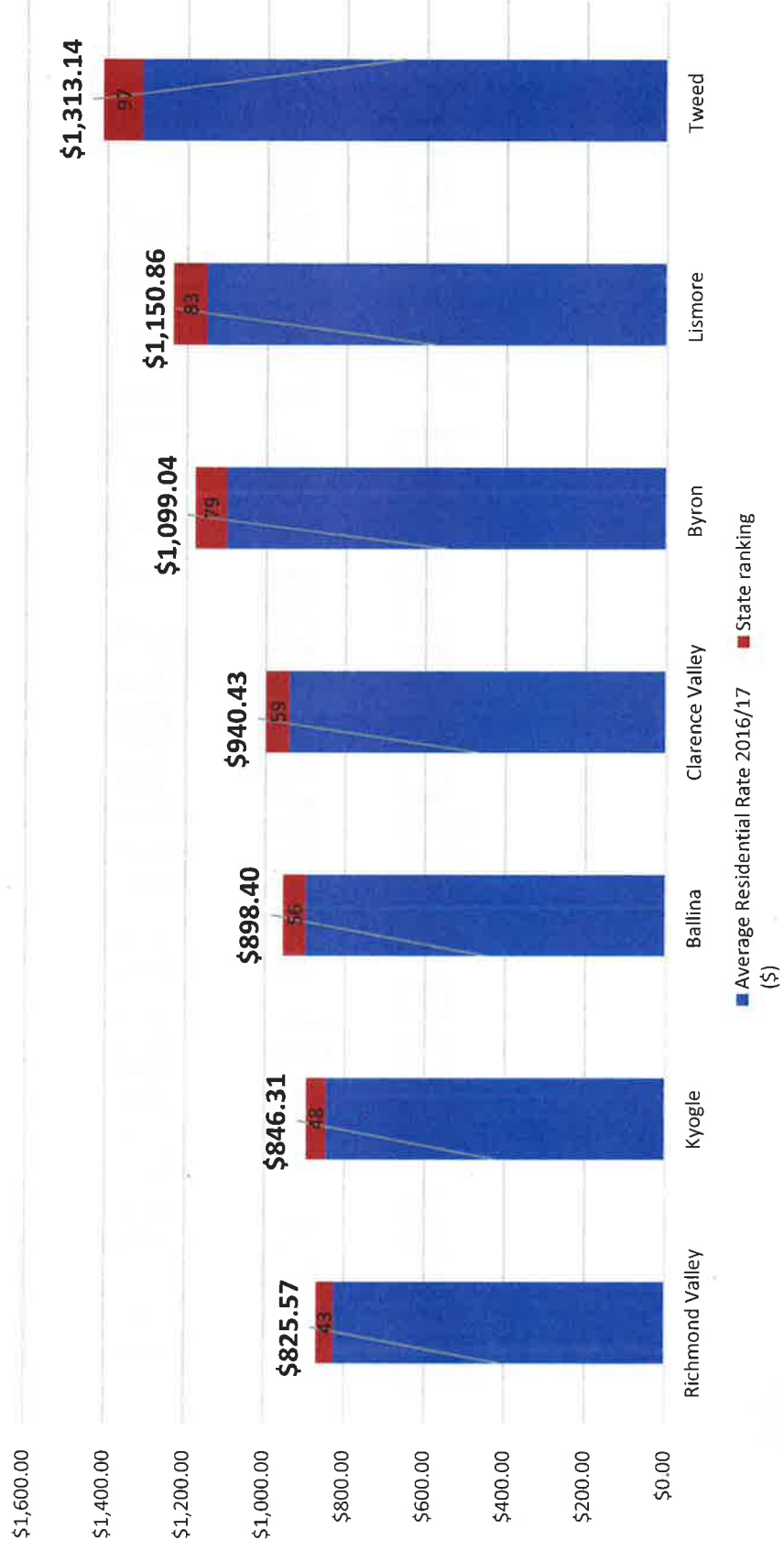
Expenditure includes all CSP projects plus maintenance increases and organisation capacity		TOTAL Expenditure
IMPROVED MAINTENANCE		
Playground maintenance		\$75,000
Toilet cleaning maintenance		\$75,000
Rural road drain maintenance		\$250,000
TOTAL IMPROVED MAINTENANCE		\$400,000
INCREASED CAPACITY		
IT innovation fund.		\$200,000
Public wifi in Casino, Woodburn, Evans Head CBDs and Coraki Riverfront		\$150,000
Economic development plans/projects to support growth		\$165,000
TOTAL INCREASED CAPACITY		\$515,000

How does Richmond Valley Council compare to other Northern Rivers councils?



Northern Rivers Councils Comparisons

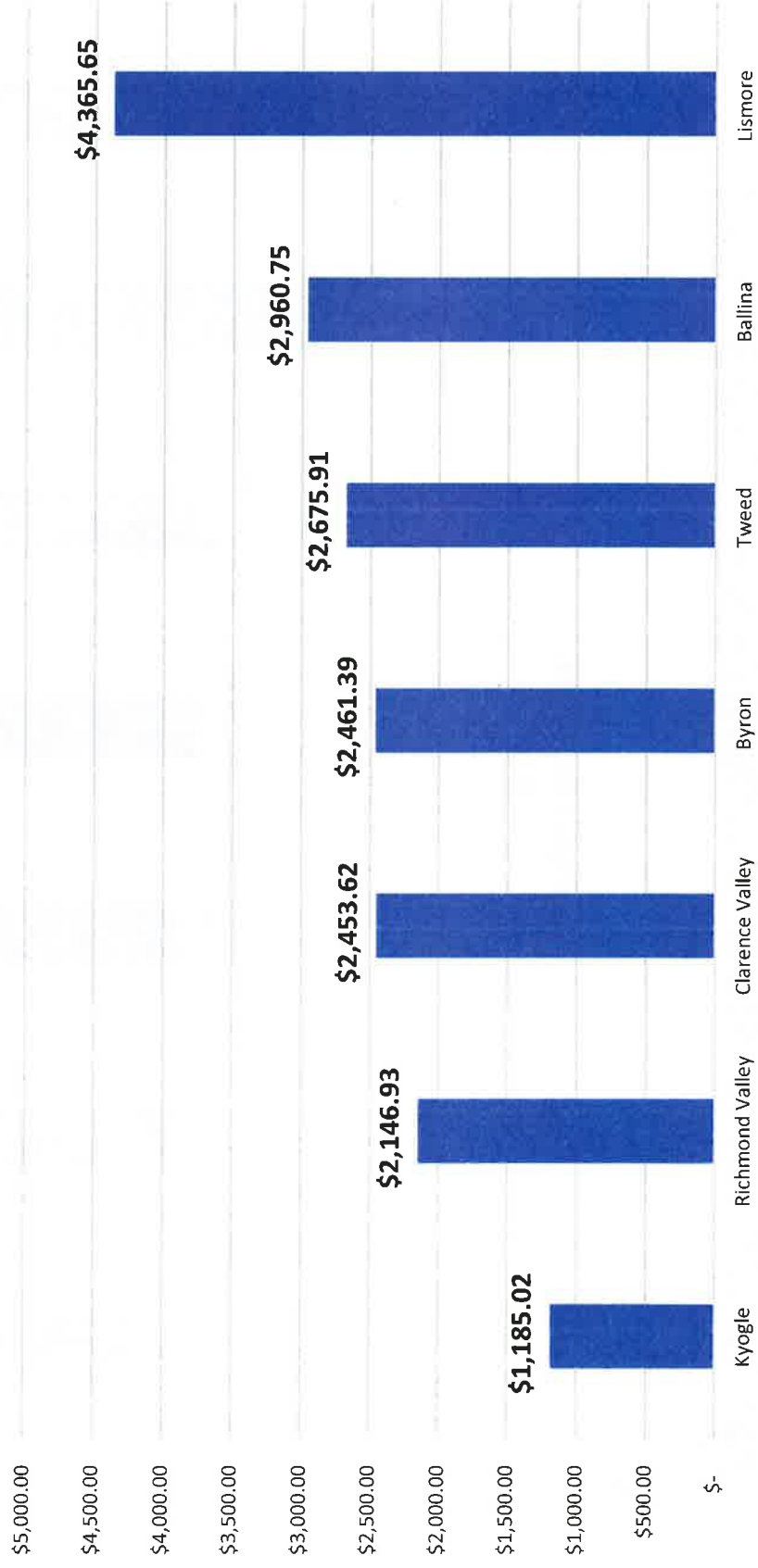
Average Residential Rates 2016/17





Northern Rivers Councils Comparison

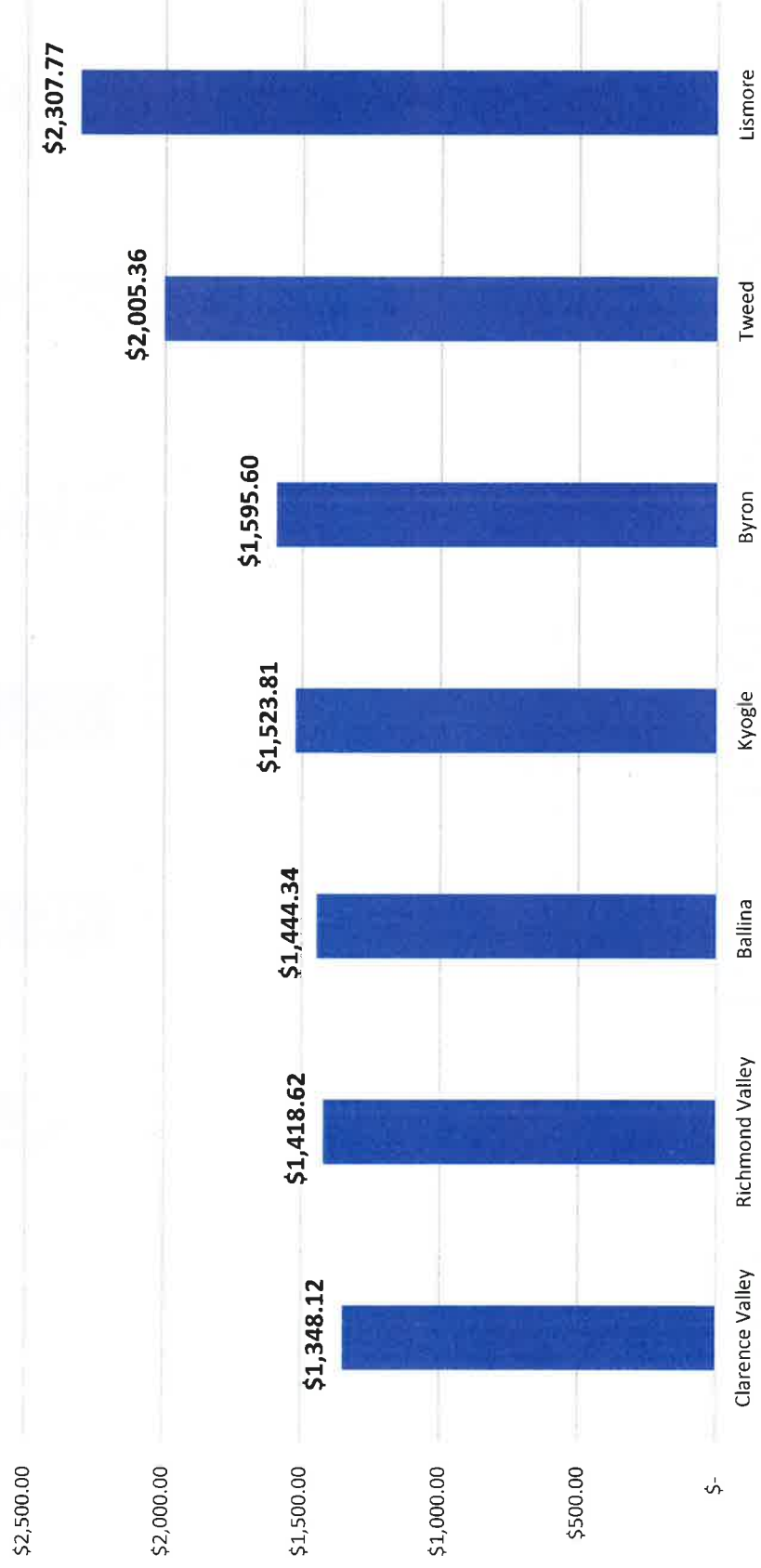
Average Business Assessment
(\$)





Northern Rivers Councils Comparison

Average Farmland Rate
(\$)





What is the rate peg?

Rate peg 2019-2020

IPART has set the 2019-20 rate peg for NSW councils at **2.7%**. It has calculated the rate peg for 2019-20 by:

- taking the increase in the Local Government Cost Index to June 2018 of 2.7%; and
- setting the productivity factor to 0.0%.

The rate peg is the maximum percentage amount by which a council may increase its general income for the year without going through the Special Variation process.

How the rate peg affects individual rates

- The rate peg applies to general income in total, and not to individual ratepayers' rates. As long as its general income remains within the set maximum increase, councils may increase categories of rates by higher or lower than the rate peg.
- Individual rates are also affected by other factors, such as land valuations which can affect percentage changes to rates alongside the rate pegging process.



Why we need another SRV

- Dispersed population and rates income of \$12.4 million, which is 21.76% of expenditure
- Government operating grants not keeping pace with expenditure needs
- Funding increasing asset renewal and depreciation expenses
- Combined rates and annual charges make up less than half of Council's revenue

	Benchmark	2016	2017	2018	Meets Benchmark
Operating Performance Ratio	> or = 0%	0%	8%	-7%	✗
Own Source Revenue Ratio	> or = 60%	70%	68%	64%	✓
Building and Infrastructure Renewals Ratio	> or = 100%	99%	83%	86%	✗
Asset Maintenance Ratio	> or = 100%	109%	114%	119%	✓
Infrastructure Backlog Ratio	< 2%	1.30%	3.80%	1.90%	✓



Indicative annual impact 2019-2021

2.7% Rate Peg		Ave Rate 2018/19	Ave Rate @ 2.7%	Yearly Increase 2019/20	Weekly Increase	Ave Rate @ 2.5%	Yearly Increase 2020/21	Weekly Increase
Category								
Residential		\$ 969.43	\$ 998.16	\$ 28.73	\$ 0.55	\$ 1,022.01	\$ 23.85	\$ 0.46
Rural Residential		\$ 846.29	\$ 870.12	\$ 23.83	\$ 0.46	\$ 895.54	\$ 25.42	\$ 0.49
Business		\$ 2,860.44	\$ 2,940.58	\$ 80.14	\$ 1.54	\$ 3,015.92	\$ 75.34	\$ 1.45
Farmland		\$ 1,606.77	\$ 1,647.39	\$ 40.62	\$ 0.78	\$ 1,691.90	\$ 44.51	\$ 0.86
5.5% SRV		Ave Rate 2018/19	Ave Rate @ 5.5%	Yearly Increase 2019/20	Weekly Increase	Ave Rate @ 5.5%	Yearly Increase 2020/21	Weekly Increase
Category								
Residential		\$ 969.43	\$ 1,022.64	\$ 53.21	\$ 1.02	\$ 1,079.34	\$ 56.70	\$ 1.09
Rural Residential		\$ 846.29	\$ 895.54	\$ 49.25	\$ 0.95	\$ 943.21	\$ 47.67	\$ 0.92
Business		\$ 2,860.44	\$ 3,027.14	\$ 166.70	\$ 3.21	\$ 3,200.24	\$ 173.10	\$ 3.33
Farmland		\$ 1,606.77	\$ 1,701.43	\$ 94.66	\$ 1.82	\$ 1,790.44	\$ 89.01	\$ 1.71
7.0% SRV		Ave Rate 2018/19	Ave Rate @ 7.0%	Yearly Increase 2019/20	Weekly Increase	Ave Rate @ 7.0%	Yearly Increase 2020/21	Weekly Increase
Category								
Residential		\$ 969.43	\$ 1,038.13	\$ 68.70	\$ 1.32	\$ 1,109.31	\$ 71.18	\$ 1.37
Rural Residential		\$ 846.29	\$ 908.25	\$ 61.96	\$ 1.19	\$ 974.98	\$ 66.73	\$ 1.28
Business		\$ 2,860.44	\$ 3,055.99	\$ 195.55	\$ 3.76	\$ 3,277.18	\$ 221.19	\$ 4.25
Farmland		\$ 1,606.77	\$ 1,726.86	\$ 120.09	\$ 2.31	\$ 1,850.83	\$ 123.97	\$ 2.38



Indicative annual impact 2021-2023

2.7% Rate Peg		Ave Rate @ 2.5%		Yearly Increase	Weekly Increase	Ave Rate @ 2.5%		Yearly Increase	Weekly Increase	Cumulative Increase	
Category				2021/22				2022/23			
Residential		\$ 1,046.87	\$	24.86	\$ 0.48	\$ 1,071.85	\$	24.98	\$ 0.48		10.56%
Rural Residential		\$ 919.37	\$	23.83	\$ 0.46	\$ 943.21	\$	23.84	\$ 0.46		11.45%
Business		\$ 3,100.87	\$	84.95	\$ 1.63	\$ 3,181.01	\$	80.14	\$ 1.54		11.21%
Farmland		\$ 1,733.22	\$	41.32	\$ 0.79	\$ 1,780.90	\$	47.68	\$ 0.92		10.84%
5.5% SRV		Ave Rate @ 5.5%		Yearly Increase	Weekly Increase	Ave Rate @ 5.5%		Yearly Increase	Weekly Increase	Cumulative Increase	
Category				2021/22				2022/23			
Residential		\$ 1,138.40	\$	59.06	\$ 1.14	\$ 1,201.36	\$	62.96	\$ 1.21		23.92%
Rural Residential		\$ 997.23	\$	54.02	\$ 1.04	\$ 1,054.43	\$	57.20	\$ 1.10		24.59%
Business		\$ 3,389.38	\$	189.14	\$ 3.64	\$ 3,581.72	\$	192.34	\$ 3.70		25.22%
Farmland		\$ 1,885.80	\$	95.36	\$ 1.83	\$ 1,982.12	\$	96.32	\$ 1.85		23.36%
7.0% SRV		Ave Rate @ 7.0%		Yearly Increase	Weekly Increase	Ave Rate @ 7.0%		Yearly Increase	Weekly Increase	Cumulative Increase	
Category				2021/22				2022/23			
Residential		\$ 1,184.25	\$	74.94	\$ 1.44	\$ 1,269.18	\$	84.93	\$ 1.63		30.92%
Rural Residential		\$ 1,054.43	\$	79.45	\$ 1.53	\$ 1,130.69	\$	76.26	\$ 1.47		33.61%
Business		\$ 3,533.64	\$	256.46	\$ 4.93	\$ 3,774.06	\$	240.42	\$ 4.62		31.94%
Farmland		\$ 1,977.98	\$	127.15	\$ 2.45	\$ 2,108.31	\$	130.33	\$ 2.51		31.21%

*A3 handout covering all four years provided to attendees



Cumulative totals 2019-2020 to 2022-2023

2.7% Rate Peg		Average Rate Cumulative Increase \$	Average Rate Cumulative Increase %	Cumulative Increase Total \$
Category				
Residential		\$ 102.42	10.56%	
Rural Residential		\$ 96.92	11.45%	\$ 1.38 million over 4 years
Business		\$ 320.57	11.21%	
Farmland		\$ 174.13	10.84%	
5.5% SRV		Average Rate Cumulative Increase \$	Average Rate Cumulative Increase %	Cumulative Increase Total \$
Category				
Residential		\$ 231.93	23.92%	
Rural Residential		\$ 208.14	24.59%	\$ 2.98 million over 4 years
Business		\$ 721.28	25.22%	
Farmland		\$ 375.35	23.36%	
7.0% SRV		Average Rate Cumulative Increase \$	Average Rate Cumulative Increase %	Cumulative Increase Total \$
Category				
Residential		\$ 299.75	30.92%	
Rural Residential		\$ 284.40	33.61%	\$ 3.86 million over 4 years
Business		\$ 913.62	31.94%	
Farmland		\$ 501.54	31.21%	



How will the SRV be spent?

- Roadwork and renewal of urban streets
- Grading unsealed local roads to meet existing service levels
- Additional maintenance of the rural road network: bitumen maintenance; drainage; patching; roadside slashing; gravel maintenance; and vegetation management
- Increased funding to maintain existing services across Council operations including emergency services
- Additional bitumen resealing and gravel re-sheeting to keep our roads at a good standard and prevent them from deteriorating
- Culverts, causeways, drainage and footpath renewal
- Community assets renewal



Community consultation

- Community newsletter distributed to 9478 homes and businesses, and published to Facebook. Reminder in second community newsletter issued just prior to Christmas
- Micromex telephone survey
- Face-to-face survey
- Online survey
- Request for submissions – have your say
- Proposal discussed regularly on local radio COW FM and Radio 88.9
- Newspaper articles and advertisements – RREE, NS, Heartland Magazine
- Television interviews – Prime7, NBN
- Standalone website page
- Facebook posts



What happens next?

- 6 February - submissions to RVC close midday
- 7 February - extraordinary Council meeting
- 11 February - application due to IPART
- 11 February – IPART public submission period opens; closing 11 March
- 14 May – IPART’s determination released
- June Council meeting– Council resolves 2019/20 budget



IPART contact details

Independent Pricing and Regulatory Tribunal of NSW

<https://www.ipart.nsw.gov.au/Home/Industries/Local-Government/For-Councils/Apply-for-a-special-variation-or-minimum-rate-increase>

Stakeholders can also provide a submission by email from 11 February 2019 at localgovernment@ipart.nsw.gov.au or by post to:

Local Government Team

Independent Pricing and Regulatory Tribunal of NSW

PO Box K35

Haymarket Post Shop, NSW 1240

Any enquiries regarding special variation or minimum rate applications should be directed to John Madden by email to John.Madden@ipart.nsw.gov.au or by phone on (02) 9113 7780. For administrative enquiries contact localgovernment@ipart.nsw.gov.au.



Having your say

- It is important to listen to each other
- All opinions are welcome
- One person speaks at a time (five minutes max)
- We commit to respecting each other
- We commit to meaningful engagement
- Stay focussed on the topic
- Thanks for coming and having a say

