

SUBMISSION TO IPART ON RANDWICK CITY COUNCIL APPLICATION FOR SPECIAL RATE VARIATION

Lynda Newnam 12th March 2018

On the evening of 13th February, 2018, Randwick City Councillors votedⁱ to recommend to IPART a cumulative 19.85% rate increase to ratepayers in addition to committing to debt of \$27million.ⁱⁱ Council's (RCC) website the following day carried this storyⁱⁱⁱ:

"A majority of local residents and ratepayers have backed a Randwick City Council proposal to seek a special rate variation to deliver a number of significant community projects.

An independent telephone survey and a ratepayer survey of almost 6,000 respondents found majority support for a cumulative rate increase of 19.85% over three years and borrowing \$27M to fast track projects.

The increase equates to about \$70 per year for the average residential ratepayer paying \$1,159 per year and would see a number of significant projects delivered in the next seven years including:

- *Building a women's refuge centre;*
- *Undergrounding powerlines to increase street tree planting;*
- *Building an arts and cultural centre;*
- *Upgrading the La Perouse Museum and Randwick Literary Institute;*
- *Implementing anti-terrorism measures to increase public safety; and*
- *Building a new indoor sports centre and gymnastics centre at Heffron Park in Maroubra....."*

There was/is no reference to the IPART website and deadline for ratepayers and others to make submissions about the decision.

It is stated that a majority supported the cumulative rate increase of 19.85% plus \$27 million loan (Option 3).

The report that was provided in the public version of the Business Papers public version is copied below as Attachment 3(*the report*). Some of this material is captured in an attachment to RCC's submission on IPART's website. However, there is more information in this document than the one supplied, hence my reason for producing it here.

When I heard that the majority supported Option 3, I checked through *the report* in an attempt to understand the significance of the decision. I found that raw figures were not provided, so I had to do my own calculations.

According to the report there were 5713 survey (paper/online) responses with 50.89% saying NO to Option 3 and 49.11% saying YES. That yields 2907 NO and 2806 YES. Add to these the 603 telephone and face to face interviews where 57% said YES to Option 3 and 43% said NO.

That yields 259 for NO and 344 for YES. The totals are then 3166 NO and 3150 YES. Obviously close but not a majority. ^{iv}

As to the methods used to elicit feedback from ratepayers and others please note the following:

Ratepayers received the Feedback Form along with an 8 page document titled "Our Community Our Future" Randwick City Plan 2018-21. This is contained within material submitted to IPART by RCC.

Included in the Mayor's statement on page 2: *"Local government is the events and festivals you love, the clean beaches, the Lifeguards keeping you safe, the nippers run through the surf clubs, the playgrounds, the parks and ovals, the Coastal Walking track, the roads and footpaths, the libraries you visit, the recycling centre and the bins, toilets and streets that are magically cleaned each day."*

The 3 Options are presented across pages 6 and 7, as the "Do Nothing Approach" 2.3%; Delayed Approach 3.52% and Preferred Approach 5.52%. The annual % increases are shown in large print but the cumulative percentages of 7.48%; 13.21% and 19.85% are not shown. What is shown, instead, in print about half the point size are 'average' rate increases in \$ based on the average residential rate being \$1159 (2017/18).

The Feedback Form itself consisted of a letter signed by the Mayor with the questions on the reverse. I have provided a copy of our household's form as Attachments 1 and 2.^v There was an issue of lack of privacy,^{vi} and there was no explanation as to why privacy was not observed. The 'script' used by interviewers was not attached to the report. There is no data on how many refused to be interviewed with a breakdown of their reasons. There is no breakdown between ratepayers and non-ratepayers, business and domestic ratepayers.^{vii}

The Feedback Form is in 2 parts. For the first question the ratepayer is asked to rank major projects on a scale of 1 to 5. The first listed is the La Perouse Museum, which according to the information on the reverse was inherited from the State Government. 'Inherit' is not an appropriate word to use as RCC requested a lease on the property and allocated funds for maintenance in previous budgets. To take on a lease without a comprehensive business plan is questionable. The second item listed is a "Women's Refuge Centre". There is no detail on the anticipated size of the centre and the capital costs let alone how the Centre would be managed and the annual budget. To not rank this worthy service highly, regardless of it being a State Government responsibility, would be seen as unsupportive of female victims of domestic violence. It is little wonder that it scored higher in the face to face and telephone interviews. The third item is "Undergrounding powerlines to increase urban forests". Who wouldn't want to swap unsightly powerlines for more trees? Like the refuge, this is another 'Bambi'^{viii}. And again, there are no details on the costs or the timeframe to roll such a project out across the municipality. This is complex and very expensive as IPART found in its investigations in 2002. ^{ix} The fourth item is the Arts and Cultural Centre and the fifth is the Randwick Literary Institute; the latter is a similar item to the La Perouse Museum. Included in the list on page 4 of the brochure but not listed as a project ^x are "Anti-terrorism measures" and "New Council Customer Service location and offices". ^{xi} The final item is the "Indoor sports centre and gymnastics centre at Heffron." It is not clear whether the Indoor Centre is associated with the South Sydney Rugby League Club ^{xii}. While there was a commitment to upgrade the Gymnastics Centre in the Heffron Park Plan of Management finalised in 2009 ^{xiii} and funds have been previously allocated, the \$3million contribution by ratepayers for a relocation of the South Sydney Rugby League Club from Redfern to Heffron Park is a relatively recent initiative. It does not align with objectives of the

Heffron Park Plan of Management which was subject to extensive consultation nor is it likely to reflect projected needs of the increasingly culturally diverse Randwick City community.^{xiv}

Aside from the Anti-terrorism measures not being listed as a project to be prioritised, the Digital Strategy is not on the list. In the brochure, pages 6-7, under the 'Do Nothing Approach' the following receive an X: Anti-terrorism measures; Major projects (even though some like gymnastics and the La Perouse Museum have been allocated funding previously and in the case of the former are part of the Heffron Plan of Management 2009); Maintain services (services affected are not specified); Women's refuge; Digital Strategy; Cultural facilities. By comparison all these receive a tick under the 'Preferred Option' and under the Delayed Option, The Major Projects, Women's refuge and Cultural Facilities are delayed and the Digital Strategy is 'limited', whatever that means.

Some might argue that the Digital Strategy is an important investment that, depending on the scope, could underpin significant productivity dividends.

The second Question asked: "Which of the following funding options do you support? (please mark one box). Option 1: Do Nothing Approach; Option 2: Delayed Approach; Option 3: Preferred Approach. Neither the annual nor the cumulative increase associated with each option is listed instead the ratepayer is instructed to refer to the booklet for more information and/or choose to identify as a 'do nothing', a 'delayer' or a 'preferred'.^{xv}

Aside from the telephone^{xvi} and face to face interviews and the ratepayer mail out RCC also reached out to a 'number of key stakeholders and developed specific community engagement approaches to communicate with them'. These stakeholders are listed as Local Precinct Groups; Port Botany; Local Community and Sporting Associations; Local members of parliament; Local institutions (eg. UNSW). While, a non-ratepaying institution such as UNSW is listed there is no mention of Chambers of Commerce, other business associations or initiating direct contact with groups of businesses^{xvii}. It has been a particularly difficult time for businesses impacted by Light Rail,^{xviii} yet they appear to have been ignored.^{xix}

It is interesting to note that in the interactive session of 30 participants the following comments and questions were elicited.^{xx}

“• How will Council pay for the debt from Option 3 after the 3 year SRV?

• Suggestion for Council to take more of a user pays approach rather than ratepayers covering costs

• The Port Botany rate increase should be added to option 1

• Hard to make a choice without the whole picture, that is, what projects will cost

• Don't like debt

• Put the money into better projects, not toilets, but things like sustainable transport/bike paths etc.

• Where else can Council get money for projects? Need to look at other income options, not just rates.”

There is no explanation as to why the extra \$2.3 million ^{xxi} from Port Botany businesses could not be included in Option 1. There is no explanation on how Council would pay down debt. There is no response to the request for other income options, or how productivity dividends might be achieved.



Are there savings that could come from Waste Management for example, currently 22% of the budget? The last item discussed at the Council meeting on the 13th February, 2018, was the draft Waste Strategy 2017-2030. ^{xxii} The recommendation was for a 3 week exhibition period for 'community engagement' which the majority of Councillors voted to 6 weeks. There are opportunities for further engagement with businesses, for more work on avoidance and segregation yet the appetite for such appears relatively low, and is disappointing given incentives offered by the NSW EPA, capacity building opportunities and savings. ^{xxiii}

We want to ensure councils fully consult with their communities in a way which satisfies the guidelines. Councils need to communicate the full cumulative percentage increase of the

proposed SV, its cumulative impact on ratepayers and the uses to which the funds will be put.
(IPART website).

I would argue that the consultation process has not been genuine. There has not been a robust conversation about needs and priorities. The cost-benefit analyses required to support items proposed are not provided. Instead the language and interpretation of the results of feedback, which by any measure would not pass as 'research', have been framed to support a Preferred Approach' and that approach is not too far removed from a request for a 'blank cheque'!^{xxiv}

On the 24th April 2017, the media release accompanying the 2017-18 Draft Budget (Operational Plan)^{xxv} announced that:

Randwick City Council has released a debt-free and financially strong draft 2018 Budget & Operational Plan for public comment; marking a decade of balanced budgets and significant infrastructure investment funded entirely without borrowings.

*"It's a point of pride for us that we can go to our residents year after year, and let them know about the plans we have to improve Randwick City, without having to rely on loans," says Randwick City Mayor, Noel D'Souza. **"Instead, we ensure we spend within our means and that all revenue is reinvested into the community..... the new home for the South Sydney Rabbitohs. Council's contribution to the South Sydney Rabbitohs project will be capped at \$3M with the remaining funds coming from the club and State and Federal grants."***

In less than 12 months the Council that was proudly debt free and lived '**within our means**'^{xxvi}, could afford to commit \$3million to a professional rugby league club and tens of \$millions to Light Rail, is proposing to 'hit' residential and business ratepayers with a cumulative rate variation of 19.85% and take on \$27million in debt. And further, that if this is not supported at the preferred rate or lower variation of 13.21% **current services will not be maintained.**

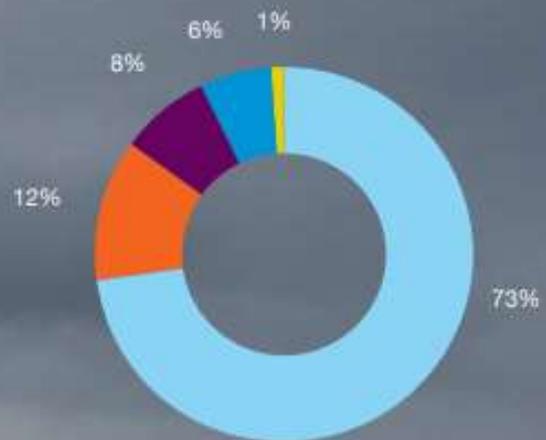
How did it come to this, particularly given the anticipated growth in the rate base and S94 contributions.^{xxvii} Perhaps there needs to be a critical look at current services, the priorities and delivery methods^{xxviii}. Employee costs at 42% of the budget are not the highest, then again there are Councils, such as Parramatta which are leaner at 34%.

Randwick City Council is committed to remaining financially sustainable, debt free and maintaining and improving service levels provided for the community – this budget delivers that.

For details of our 2017-18 Budget see page 65.

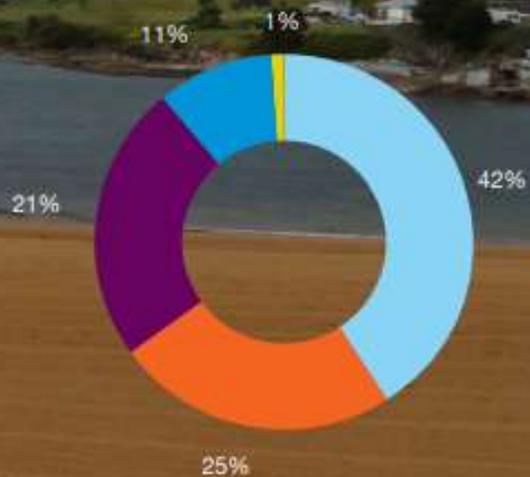
Source of funds

Revenue type	Amount (\$)
Rates and annual charges	108,227,480
User fees and charges	17,946,681
Grants and contributions	11,550,250
Other revenues	8,542,325
Interest	1,805,827
Total	148,072,563



Application of funds

Expenditure type	Amount (\$)
Employee costs	62,033,903
Materials and contracts	36,664,885
Net capital expenditures	31,391,230
Other operating expenses	15,885,980
Net savings for future years	2,084,278
Total	148,060,276



https://www.randwick.nsw.gov.au/_data/assets/pdf_file/0006/195351/Draft-Randwick-City-Council-Operational-Plan-2017-18.PDF^{xxix}

Attachment 1(a) Letter received sometime over Christmas New Year(undated can't remember when). Personal details have been blocked out for this submission.



Randwick City Council
a sense of community

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Follow us here



28345 - 28345 019
Mr [redacted] and Mrs L M Newnam

RE: IMPORTANT – Our Community Our Future – Seeking your views on our Randwick City Plan 2018-21

Dear Mr [redacted] Mrs L M Newnam

I write to you at an important time in the history of our great City. We need to continue to deliver the regular, quality council services you expect like roads and footpaths, libraries, events, lifeguards, beach cleaning, park maintenance, playgrounds and more.

There are a number of other important projects to undertake including undergrounding powerlines so we can beautify our streets and plant more trees and delivering a much-needed new gymnastics and indoor sports centre at Heffron Park in Maroubra.

We also face a number of new challenges. The Federal Government has allocated responsibility for implementing anti-terrorism measures in public spaces to local councils. This means we have a duty of care to help safeguard highly visited places like Coogee Beach and La Perouse against potential terrorist attacks.

We have recently inherited the La Perouse Museum from the State Government and we are in the process of also inheriting the Randwick Literary Institute. Both buildings have great potential for future community use, but are in poor condition after years of neglect and require millions of dollars in maintenance.

And domestic violence continues to be the greatest social challenge of our time. I believe Council must play a greater role in tackling this important issue.

These are challenges we need to face head on. As you would expect, these projects will come at a cost. Randwick City Council has a plan for the future – we call it Our Community Our Future. It's our plan for the next three years to deliver local services and improvements in your community.

As this plan directly affects your rates, it's important that you understand what it means and have your say. Please take a moment to review the information and consider mailing us back the feedback form on the reverse of this letter.

Alternatively you can complete the survey online using the following details:

Website: www.randwicksurvey.com.au

[redacted]

Kind regards

[redacted]

Councillor Lindsay Shurey
Mayor of Randwick



**Our Community
Our Future**



Your say in
the future
of our City



Our Community Our Future - have your say

Prior to completing this feedback form, please refer to the Our Community Our Future booklet for information on Council's proposed projects, services and funding options.

Q1. Rate the following proposed major projects in terms of priority on a scale of 1 to 5, with 1 being low priority and 5 being high priority.

PROJECT	PRIORITY				
	1 (LOW)	2	3	4	5 (HIGH)
La Perouse Museum	<input type="radio"/>				
Women's Refuge Centre	<input type="radio"/>				
Undergrounding powerlines to increase urban forests	<input type="radio"/>				
Arts & Cultural Centre	<input type="radio"/>				
Randwick Literary Institute	<input type="radio"/>				
Indoor sports centre and gymnastics centre at Heffron Park	<input type="radio"/>				

Q2. Which of the following funding options do you support? (please mark one box)

Refer to p6 of the Our Community Our Future booklet for more information on each option.

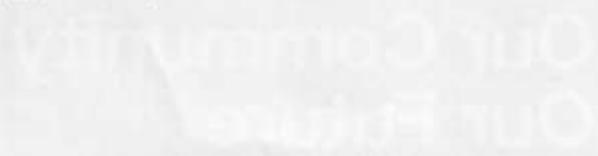
Option 1: Do Nothing Approach
Option 2: Delayed Approach
Option 3: Preferred Approach

Q3. Do you have any comments to make?

Q4. Would you like to receive updates on the outcome of this consultation and other important communication from Randwick Council? If yes, what is your email address?

Returning your feedback form

Please return your completed feedback form using the enclosed reply paid envelope. No stamp is required. Your feedback form needs to be received by Council by 5pm on 1 February 2018. If you do not have a reply paid envelope, please mail it to: Randwick Council Community Feedback, Reply Paid 89388, Randwick NSW 2031.



Attachment 3: Presented in Business Papers (public version) to Council Meeting 13/2/18

Finance Report No. F3/18 – Administration and Finance Committee Meeting 13th February 2018

Subject: The 20-Year Randwick City Plan

Folder No: F2017/00503

Author: Karen Hawkett, Coordinator Integrated Planning & Reporting

Introduction

The Randwick City Plan, first published in 2006, is a 20-year strategic plan reflecting our community's vision and long term goals for the health and wellbeing of our people, our economy and the natural and built environment. The Plan is based on extensive research and input from ongoing and well thought out community engagement processes.

A review of the Plan and Resourcing Strategy was undertaken and reported to Council in November 2017 alongside the 2018-21 Financial Strategy report. The review included three options for resourcing the 2018-21 Delivery Program which are tabled below, providing the community with the choice of projects, delivery timeframes and funding alternatives.

	Option 1	Option 2	Option 3
	Do Nothing Approach	Delayed Approach	Preferred Approach
Cumulative rate increase over 3 years	7.48%	13.21%	19.85%
Proposed borrowings	\$0	\$0	\$27mln
Project delivery time	No new projects delivered	13 years	7 years

In addition the review of the Plan and Resourcing Strategy presented options to introduce a Port Botany rate and for the use of borrowings.

The Plan reflects our community's long-term aspirations and needs, and outlines the clear directions we will take to shape our city's future. The success of this plan lies with the strong working partnerships Council creates with our community and key organisations.

The current Integrated Planning and Reporting framework supporting the City Plan and Delivery Program provide Council with a platform to deliver projects and services to the community.

Under the Local Government Act, each newly elected Council must review the Randwick City Plan by 30 June in the year following the local government elections. Councils considering to apply for a special variation to rates (SRV) need to do so now to meet the processing requirements of IPART.

The draft plan and resourcing strategy were placed on public exhibition and this report outlines the various responses and subsequent changes that were made in finalising the documents.

Issues

Community Engagement

Randwick City Council conducted a comprehensive community engagement program on the Special Rate Variation to inform residents and ratepayers about the full impact of the proposal and to provide them with multiple opportunities to be involved and to have their say.

The community consultation was guided by a community engagement strategy reported to and endorsed at the Randwick Council Meeting of 28 November 2017. The consultation period was open for eight weeks from 1 December 2017 to 5pm 1 February 2018. This was double the required length of consultation as required by the Independent Pricing and Regulatory Tribunal (IPART) and Office of Local Government guidelines.

People were given the opportunity to comment in general, but also encouraged to provide specific feedback on two special rate variation options and a rate peg only approach. People were also encouraged to provide specific feedback on the proposed projects to enable Council to better understand community priority.

The consultation included the exhibition of a number of detailed documents as listed below. The preparation of these documents and review of the City Plan was initially guided by reviewing the outcome of 59 consultations conducted by Council since 2013 and incorporating the identified issues into the draft three-year delivery program 2018-21.

The Integrated Planning and Reporting documentation and summary documentation branded 'Our Community Our Future' was available for viewing in hard copy at Council's Customer Service Centre, at our libraries in Randwick, Maroubra and Malabar and at the Des Renford Leisure Centre.

The same documentation was available for viewing, download and comment on a dedicated consultation website: www.yoursayrandwick.com.au/OurCommunityOurFuture.

The documentation available for viewing was:

- Information Booklet – Our Community Our Future
- Funding Options – Our Community Our Future
- Future Major Projects list
- The 20-Year Randwick City Plan (Community Strategic Plan)
- The Resourcing Strategy Executive Summary 2018-28
- The Long Term Financial Plan 2018-28
- The Asset Management Strategy 2018-28
- The Asset Management Plans 2018-28
- The Workforce Plan 2018-28
- The Digital Strategy 2018-28

Council identified a number of key stakeholders and developed specific community engagement approaches to communicate with them:

- Randwick City Council residents
- Randwick City Council ratepayers
- Local Precinct groups
- Port Botany
- Local community and sporting associations
- Local members of parliament
- Local institutions (eg UNSW)

The engagement strategy included open opportunities for general public participation and specific communications including letters, meeting and telephone calls.

The community engagement activities undertaken included:

- A dedicated consultation website including submission function
- An information booklet
- Direct mail with reply paid survey/online survey option to 41,804 ratepayers

- Direct mail to 135 real estate agents representing investors of 9,546 ratepaying properties with an easy to complete online survey
- Two full page advertisements in local newspaper *The Southern Courier* on 5 December 2017 and 9 January 2018
- Public information sessions held Wednesday 13 December 2017 6-7pm and Saturday 16 December 2017 11am-12noon
- Interactive Workshops on 18 January and 24 January 2018 at 6pm
- Representative Telephone Survey of 600 local residents conducted by *Micromex Research*
- Content in Council's Randwick News email sent weekly to 20,000 subscribers on 6 December and 13 December 2017 and 10 January and 24 January 2018
- Dedicated email sent to 20,000 subscribers on 18 January 2018
- Media releases issued 4 December 2017 and 16 January 201
- Promoting through Council's regular advertisement in *The Southern Courier* and Mayor's column
- Posters displayed at 30 bus stops in Randwick City and at Council facilities including the Administration Building, Libraries at Randwick, Maroubra and Malabar, Des Renford Leisure Centre in Maroubra and Community Nursery in Kingsford
- Digital communication including content on Council's website and posts on Council's Facebook and Twitter accounts

Examples of community engagement material

Ratepayer mailout

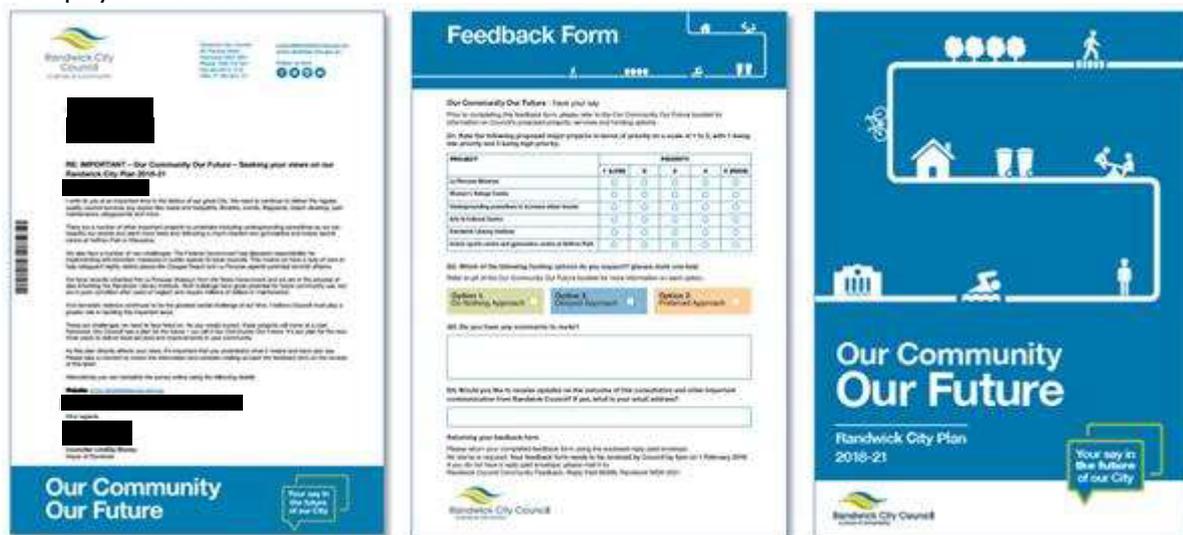


Image 1: Letter, survey and information booklet sent to ratepayers.

Posters and information displays



Image 2: Example of bus stop and information display at Council libraries.

The Southern Courier advertising



Image3: Full page advertisements *The Southern Courier* 5 December 2017 p17 and 9 January 2018 p14

Dedicated consultation website



Image 4: YourSay Randwick website

Digital communication



Electronic Direct Mail, 6 Dec 17



Facebook, 8 Dec 17



Randwick Council website, 5 Dec 17

Image 5: Examples of communication methods via Randwick eNews (circulation 20,000), Randwick Facebook page (audience 16,000) and Randwick Council website.

Face to face engagement



Image 6: Public information sessions held on Wed 13 and Sat 16 December 2017.

Feedback from the community consultations

Executive summary of results

- “Option 3 – Preferred approach” for a rate variation of 19.85% cumulative over three years received majority support and is the community’s most preferred approach. It was chosen by 57% of respondents in the Telephone Survey and 49% of respondents in the Ratepayer Survey as their first preference.
- “Option 1 – Do Nothing Approach” where the rate peg only would be applied giving a cumulative rate increase over three years of 7.48% is the least supported option. Just 15% of Telephone Survey respondents and 22% of Ratepayer Survey respondents chose it as their first preference.
- 30% of Telephone Survey respondents were aware of Council’s plans for a Special Rate Variation.
- 51,349 surveys were issued to Randwick City ratepayers with a response rate of 5,713 being 11.13%. This represents a good return rate and demonstrates high level awareness.
- All proposed major projects received support with the Women’s Refuge Centre, Undergrounding Powerlines and Indoor Sports Centre at Heffron Park the top prioritised projects in both the Telephone Survey and Ratepayer Survey.

Telephone Survey

Randwick Council engaged independent research agency Micromex Research to undertake a representative community telephone survey.

The objectives of the survey were to:

- Measure awareness levels and sources of information about a Special Rate Variation
- Measure levels of support for different SRV options
- Obtain a hierarchy of preferences for the different options
- Community attitude of a number of key projects
- Measure community satisfaction with the performance of Council

A total of 603 interviews were conducted which included 492 respondents selected through a random selection process using the White Pages and an additional 111 respondents recruited to take part in the survey face-to-face at local shopping centres, town centres and public areas. A sample size of 603 provides a maximum sampling error of plus or minus 4.0% at 95% confidence.

The sample was weighted by age and gender to reflect the 2016 ABS community profile of the Randwick City Local Government Area.

Summary results:

1. 57% of residents stated that ‘Option 3 – the preferred approach’ was their first preference
2. 76% of residents stated that ‘Option 1 – a rate peg only’ was their least preferred outcome
3. 30% of residents were aware that Council was exploring community sentiment towards a Special Rate Variation

Preferences of Special Rate Variation Options

Q5a. Please rank the 3 options in order of preference:

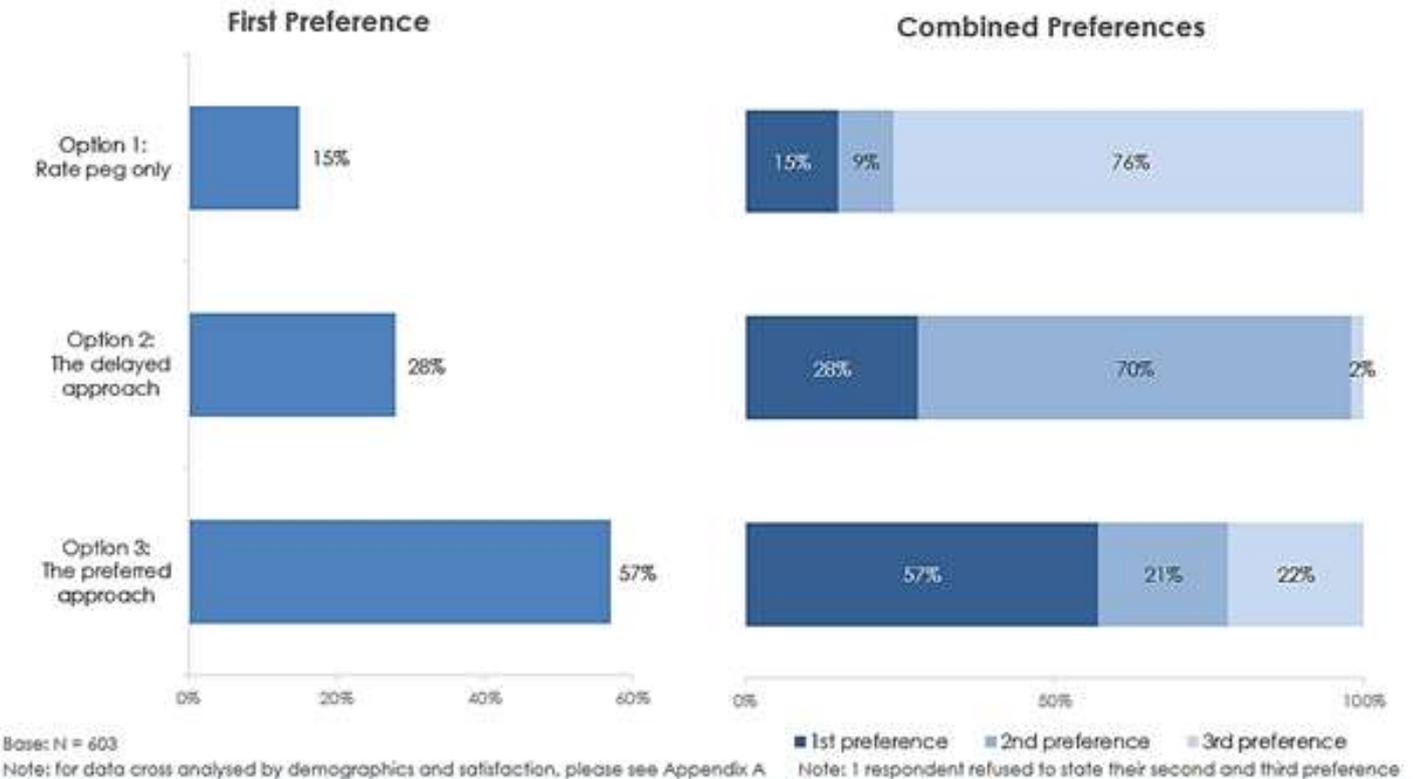


Chart1: Preferences of special rate variation options.

Participants were read a concept statement explaining Council’s decision to seek community feedback on a potential Special Rate Variation and given information on the cumulative rate increase over three years of each of the options and the typical monetary increase per year for residents paying the average rate.

After explaining the options, residents were asked to indicate their order of preference for each of the options. As can be seen by the above chart, 57% of respondents – a majority and more than the other two options combined – chose Option 3 which Council calls the ‘preferred approach’ of a 19.85% cumulative increase over three years as well as borrowing \$27M. There was little support for option 1 which is to apply for the rate peg receiving 15% first preference support.

Respondents were also asked to give a reason why they chose the option they did.

Reasons for choosing option 1 as first preference (15%)

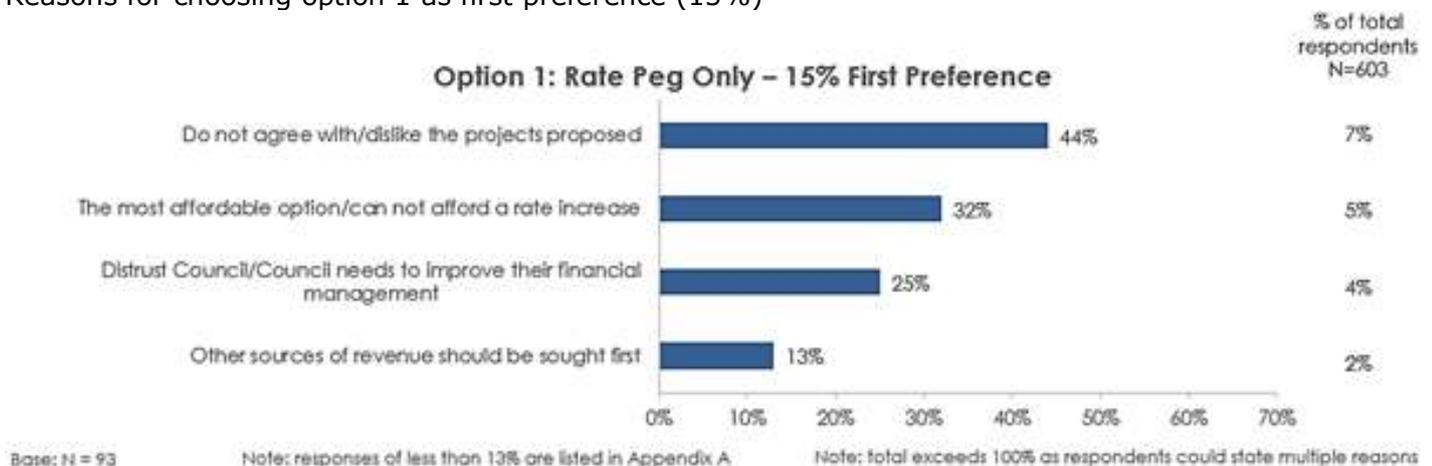


Chart 2: Reasons for preferring Option 1

Some of the verbatim responses of participants for preferring option 1 include:

‘I am a pensioner and can not afford any increase’

‘Families are undergoing financial hardship just from the cost of living’

- 'The community already pays enough in rates'
- 'We do not get any value for money as it is'
- 'Council needs to better manage the funds they already have'
- 'Federal Government should be providing the money for terrorism'
- 'I do not agree with the projects, there are much more urgent things needed'
- 'Nothing will happen as always, it will be a waste of money'

Reasons for choosing option 2 as first preference (28%)

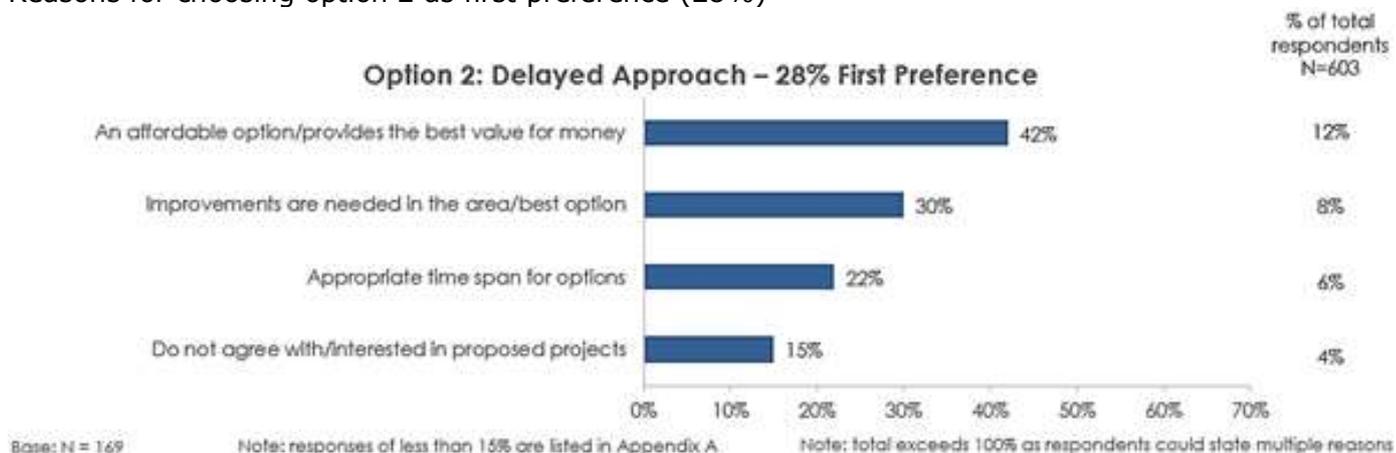


Chart 3: Reasons for preferring Option 2

Some of the verbatim responses of participants for preferring option 2 include:

- 'Financially we can not afford option 3, but still want projects completed'
- 'It is the most cost effective option'
- 'Things have to be done, which requires more funding'
- 'Delays the increase in rates'
- 'Disapprove with some of the projects proposed'
- 'We need to move forward as a community, so we do not stagnate'
- 'The projects will still get done over time'
- 'This option does not require Council to borrow money'

Reasons for choosing option 3 as first preference (57%)

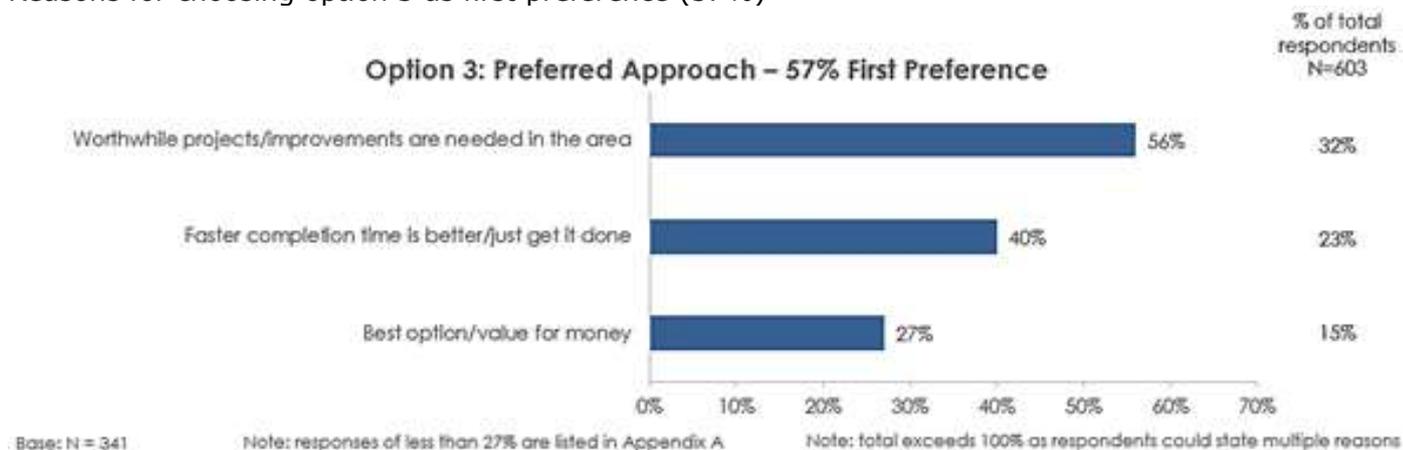


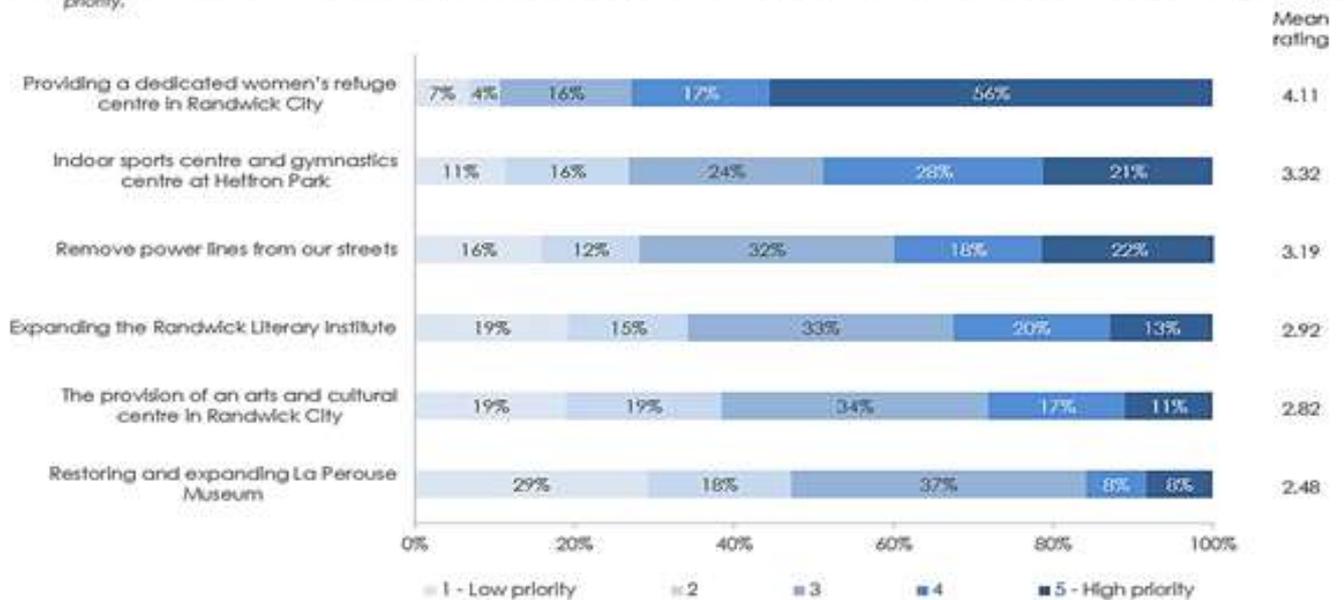
Chart 4: Reasons for preferring Option 3

Some of the verbatim responses of participants for preferring option 3 include:

- 'Better time scale for projects to get done'
- 'Happy to pay for these projects to be done quickly and efficiently'
- 'The amount of money per household is low'
- 'Let's just get it done'
- 'It needs to get done and someone has to pay for it'
- 'The projects need to be done, there is no point stretching it out over 13 years'
- 'Confident in Council's ability to deliver'
- 'Need to do these things to more forward'

Priority of major projects

Q5c. Thinking of the projects identified, please rate the following major projects in terms of priority on a scale of 1 to 5, with 1 being low priority and 5 being high priority.



Base: N = 603

Scale: 1 = low priority, 5 = high priority

Note: 1 respondent refused to rate priority for 'providing a dedicated women's refuge centre in Randwick City'

Chart 5: Priority of major projects

Participants were asked for their feedback on the priority of some of the projects Council is proposing to fund as part of the SRV. The above table helps show relative priority. All projects received a level of support, however addressing domestic violence through the provision of a women's refuge or other means, building a new indoor sports centre and underground powerlines to enable more street tree planting is a high priority for the community.

The lowest prioritised project 'Restoring and expanding the La Perouse Museum' received a mean rating of 2.48 (out of 5) but still had a level of support with 53% scoring it a 3, 4 or 5 priority. Source of information on a Special Rate Variation

Q6a. Prior to this call, were you aware that Council was exploring community sentiment towards a Special Rate Variation?
 Q6b. [If yes in Q6a] How were you informed of the Special Rate Variation?

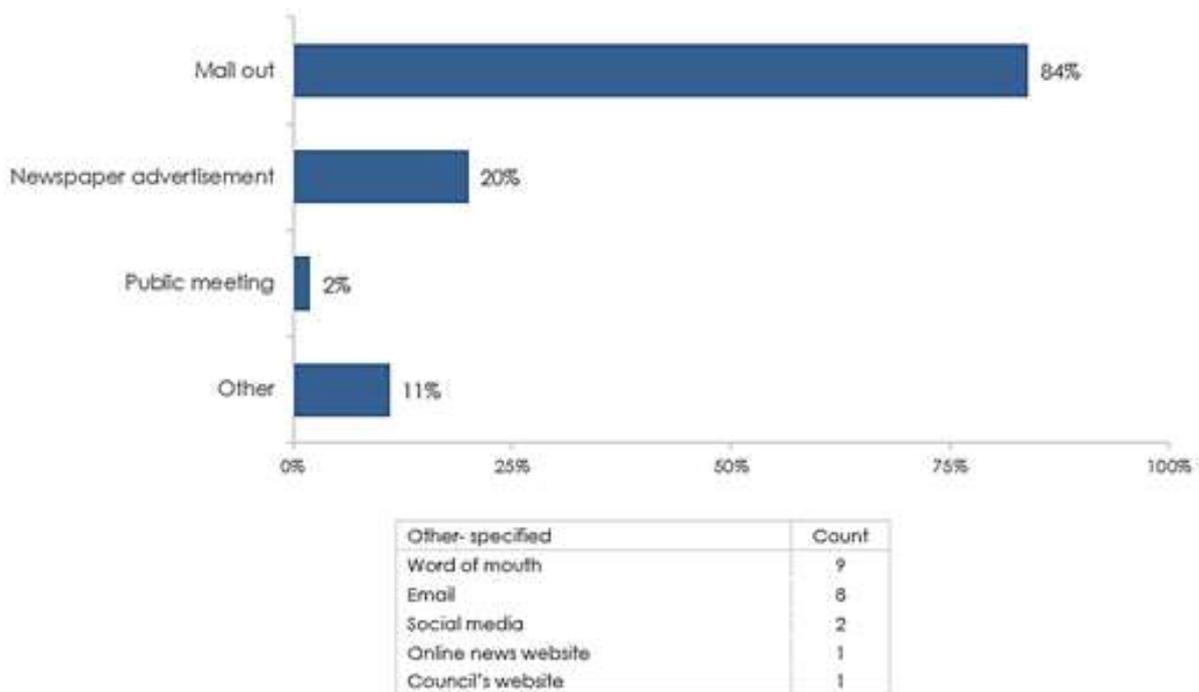


Chart 6: How people became aware of SRV

Of those surveyed, 30% were aware Council was seeking a Special Rate Variation and the above chart shows how people became aware.

Of note, is that 92% of respondents were at least 'somewhat satisfied' with the overall performance of Council in the last 12 months. This is a strong result in the context of a telephone survey seeking feedback on a rate variation and suggests an ongoing level of trust and support for the services and projects delivered by Council in the past.

Ratepayer Survey

Randwick Council developed a specific ratepayer mailout designed to inform Randwick City ratepayers (a significant audience identified in the consultation strategy) about Council's proposal for a Special Rate Variation and to seek their views.

In early January 2018 the mailout was undertaken using standard Australia Post mail which included a covering explanatory letter from the Mayor, a paper survey, reply paid envelope and an 8-page Information Booklet. The covering letter also provided the option for people to complete the survey online and provided a unique ID and password. This mailout was sent to the nominated postal address of 41,803 ratepaying properties.

Council identified an additional 9,546 ratepaying properties where the nominated postal address was a real estate agent. This suggests the property is most likely an investment property. As many local real estate agents manage dozen and sometimes hundreds of properties, Council decided to make it easier for investors to take part by sending one unique letter to each real estate agent with a list of property addresses that they managed and asked them to scan and email details of a survey website to their landlords. This meant real estate agents weren't getting dozens and hundreds of letters in the post.

Ratepayers had until 5pm 1 February 2018 to return the survey or complete it online.

Total surveys sent: 51,349
 Hard copy surveys received: 4,642 (9.04%)

Online surveys received: 1,071 (2.09%)
 Total surveys received: 5,713 (11.13%)

The Ratepayer Survey results reflect the attitudes of those ratepayers who chose to respond. This is an important distinction to the Telephone Survey. The Ratepayer Survey is not random, weighted or representative. However for a sample size as large as this, Council can have reasonable confidence that it is a general view of the average ratepayer. For example if you applied a statistical error margin analysis to the sample size over the population with a 95% confidence level, the margin of error would be low at just 1.22%. Comparison with the Telephone Survey shows the outcomes and trends are consistent.

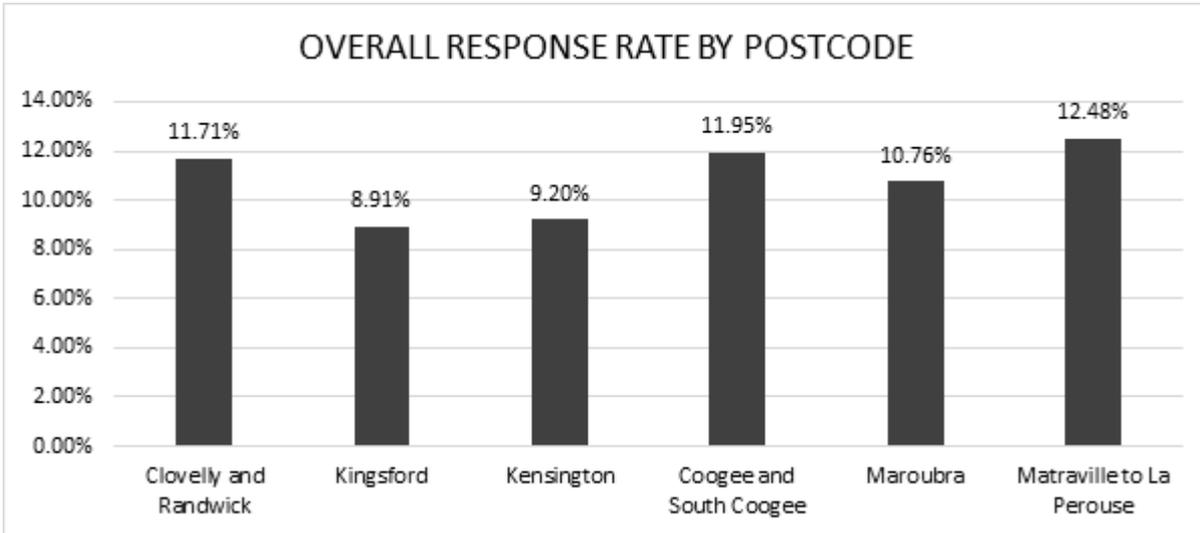


Chart 7: Response rate by post code as a percentage of surveys issued

There is a slightly higher response rate in the 2036 postcode (Matraville to La Perouse) and 2034 (Coogee and South Coogee) and 2031 (Randwick and Clovelly). It is possible that a higher level of investor owned properties in the Kingsford and Kensington areas is a contributing factor to the lower relative response rate.

Interestingly, a majority 81% of people decided to complete the paper survey and return it via mail despite Council providing an online option.

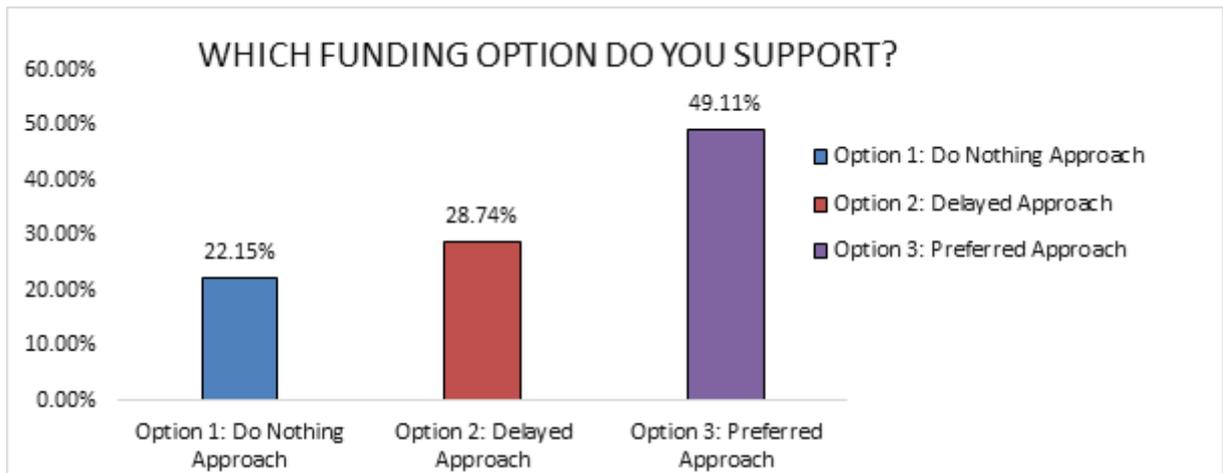


Chart 8: Response to Q2 of Ratepayer Survey, n=5,337

The above chart shows of the completed survey responses received, a majority (49%) of respondents indicated they supported option 3. This is consistent with the results of the Telephone Survey. Note the above chart excludes 376 survey responses that did not complete Q2.

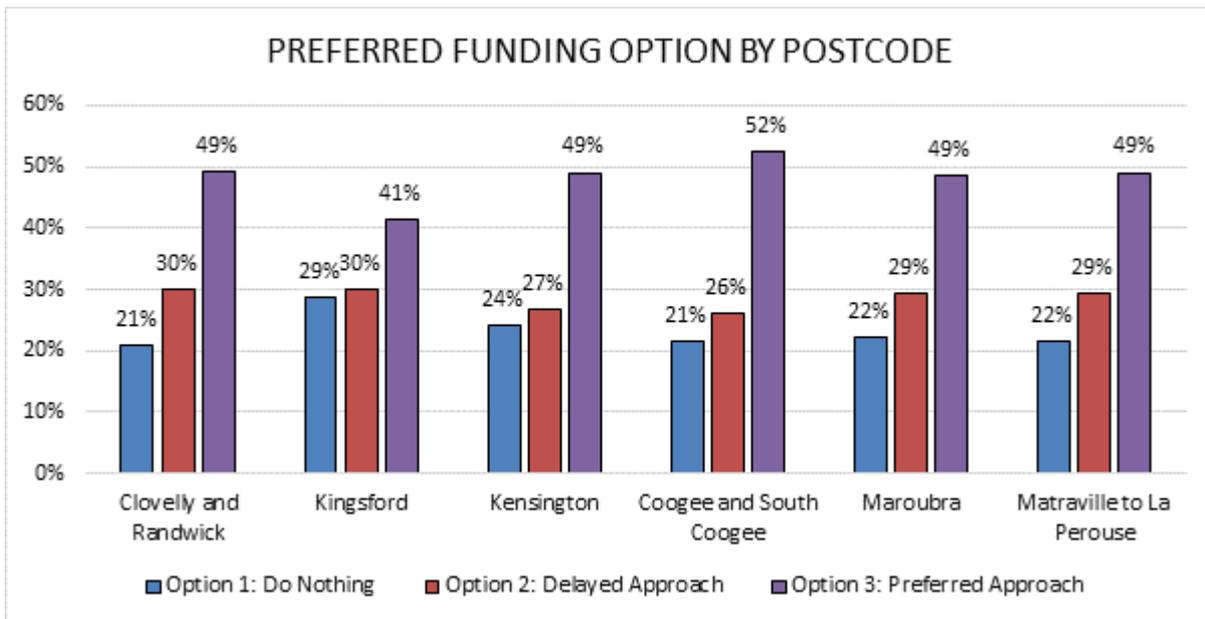


Chart 9: Response to Q2 of Ratepayer Survey grouped by postcode, n=5,337

The above chart shows there's a consistency in views across all postcodes of Randwick City. Some minor variances exist with slightly more support for option 3 in Coogee and South Coogee compared with the average. In Kingsford there is slightly more support for option 1 when compared with the average trend, however option 3 still remains by far the most supported option in Kingsford.

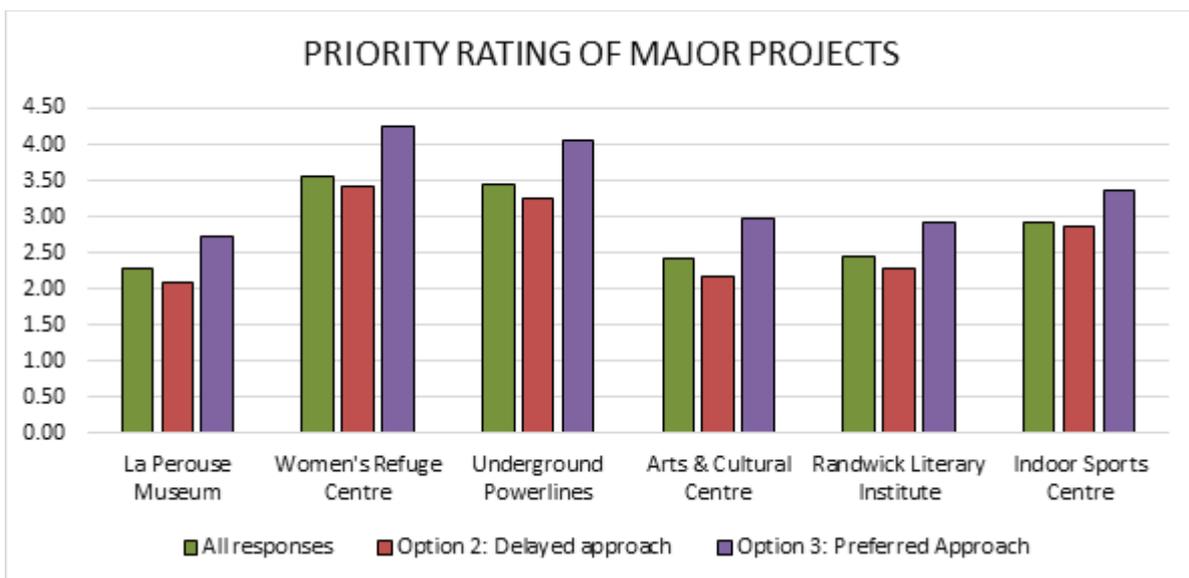


Chart 10:

Mean average ratings of responses to Q1 of Ratepayer Survey grouped

Funding Option Preference, n=varies

It's clear from the response to the proposed major projects that all projects carry a level of support from the community. On a relative scale, two projects were more supported being the Women's Refuge Centre and Undergrounding powerlines. The above chart shows the mean average ratings for all responses grouped by funding option preference.

Information sessions

Council hosted two information sessions at Randwick Town Hall on Wednesday 13 December 2017, 6pm to 7pm and Saturday 16 December 2017, 11am to midday. The sessions were open to all Randwick City residents and advertised in the local newspaper (The Southern Courier), on the YourSay Randwick website, via direct email to registered users of Your Say Randwick and via social media.

- Put the money into better projects, not toilets, but things like sustainable transport/bike paths etc.
- Where else can Council get money for projects? Need to look at other income options, not just rates.

Dedicated consultation website

A dedicated Your Say Randwick webpage was created for *Our Community Our Future* to help inform residents of the consultation and all the ways they could be involved and have their say: www.yoursayrandwick.com.au/OurCommunityOurFuture

All the key documents related to the City Plan Review were available on the website to download and residents could make a submission via the webpage.

The webpage was launched on 30 November 2017 and was open for 65 days, closing at 9am on 2 February 2018. During this time, the site experienced the following:

- 2,620 visits to the YourSay Randwick webpage
- 241 submissions
- 1,343 document downloads

Table 1: Summary of documents downloaded

Document	Downloads/views
Information Booklet - Our Community Our Future	479
Funding Options - Our Community Our Future	408
Future Major Projects list	150
Draft Randwick City Plan	86
Business Paper 2018-21 Financial Strategy	27
Draft Resourcing Strategy Digital Strategy 2018-28	30
Draft Executive Summary 2018-28 Resourcing Strategy	30
Draft Resourcing Strategy Long Term Financial Plan	36
Draft Buildings Asset Management Plan 2018-28	24
Draft Workforce Plan 2018-28 Resourcing Strategy	19
Draft Asset Management Strategy 2018-28 Resourcing Strategy	13
Draft Open Space Asset Management Plan 2018-28	13
Draft Footpaths Asset Management Plan 2018-28	9
Draft Stormwater Drainage Asset Management Plan 2018-28	5
Draft Kerb and Gutter Asset Management Plan 2018-28	6
Draft Road Pavement Asset Management Plan 2018-28	4
Draft Retaining Walls Asset Management Plan 2018-28	4

The website was the main means people registered to take part in the workshops and provided a submission function.

Submissions

Randwick Council received a number of submissions through a variety of sources. All submissions were acknowledged and the issues were considered by the relevant council staff.

A total of 241 submissions were received, of which 202 were lodged Online via the YourSay Randwick website. In addition 2,626 Ratepayer comments were received online or reply-paid survey.

The content of the submissions received have been supplied to Councillors.

15 of the submissions received were from local groups, businesses and organisations and are summarised in the following table:

Table 2: Summary of organisation submissions

Organisation	Comment
Bunnerong Gymnastics Association	Support for gymnastics centre at Heffron Park
Gymnastics NSW	Support for gymnastics centre at Heffron Park
Gymnastics Australia	Support for gymnastics centre at Heffron Park
Football NSW	Request to increase and improve sporting facilities and grounds (including flood lighting, surfacing and more fields)
BIKEast	Support for development of facilities and programs to promote 'active transport' (walking and cycling)
Maroubra Seals Winter Swimming Club	Objecting to proposed café at Mahon Pool. As of 28 January, 201 signed petitions had been received by Council opposing café. An additional 126 petitions were received on 5 February. Council advised that as of 4.38 pm on 5 February, 409 people had signed an online petition.
Port Botany (NSW Ports)	Objection to proposal to create a special rates sub-category for the port and objecting to any increase over and above the rate peg.
Origin Energy LPG	Objection to proposal to create a special rates sub-category for the port and objecting to any increase over and above the rate peg.
AST Services	Objection to proposal to create a special rates sub-category for the port and objecting to any increase over and above the rate peg.
Vopak Australia, Pty Ltd	Objection to proposal to create a special rates sub-category for the port and objecting to any increase over and above the rate peg.
Qenos Australia	Objection to proposal to create a special rates sub-category for the port and objecting to any increase over and above the rate peg.
DP World Australia	Objection to proposal to create a special rates sub-category for the port and objecting to any increase over and above the rate peg.
Elgas	Objection to proposal to create a special rates sub-category for the port and objecting to any increase over and above the rate peg.
Terminals Australia	Objection to proposal to create a special rates sub-category for the port and objecting to any increase over and above the rate peg.
Associated Customs & Forwarding Services	Objection to proposal to create a special rates sub-category for the port and objecting to any increase over and above the rate peg.

Ratepayer comments via online or reply paid survey

Council received 2,626 free text comments from ratepayers completing the Ratepayer Survey online or via reply paid mail. Council staff have had limited time to review the large number of

comments given the consultation closed on 1 February 2018. However the comments can largely be grouped into four categories:

1. Clarification/justification on the respondent's choice of preferred funding option
2. Specific comments on major projects
3. Questions regarding Our Community Our Future
4. Operational matters or general comments that largely fall outside the scope of this project

Of note, those who chose "Option 3: Preferred Approach" as their supported funding option were almost twice as likely to make a written comment as those who chose option 1 or 2.

Council staff will incorporate the feedback from the ratepayers into future planning and operational budgets where possible.

Some verbatim responses of those who chose Option 1:

Anti-terrorism proposals are rubbish and are not needed.

Appreciate the opportunity to be heard. Thanks for consulting the community.

As pensioners we already pay enough and when will I be using the indoor sports or women's refuge? Think about the elderly!

Council are already benefitting from the rapid appreciation of land values which determines the rates we pay to Council.

Council should cut costs elsewhere.

Do not raise rates!! Stop spending my rates money on non-necessary services like a refuge.

I do not support any of the 'major projects' - priorities wrong.

Most people are already having difficulty affording daily expenses.

Rate increases for any of the above is unnecessary currently. Our rates should cover underground power lines and other community initiatives.

These project appear to me to me beyond what I would expect should be funded by a local council.

We don't know where you got the average rates as \$1,186 because ours are \$1,800pa.

How can we pay more when we are on a pension?

We would like the rest of the footpaths finished.

Some verbatim responses of those who chose Option 2:

Getting feedback is good but you need a representative sample to make it worthwhile.

Great to have the opportunity to input. Thank you.

I believe that the present council rates are sufficient enough to manage whatever needs to be done for the community.

I do not think that local government should be borrowing significant money and you should have agreed to merge!!

We have a large indigenous population at La Perouse so the museum is important.

In my view refuse to pay for anti-terrorism measures as terrorism is a issue for the Federal Government and terrorist level is influenced by Federal Government policies and decisions.

I am very impressed by all your plans - it seems you have a great crew at the council!

Is it the council's responsibility to build women's refuges or the state government!

Live within our means. Don't pass debt onto future generations.

A steady as it goes approach is best. Without a loan is better.

Please complete Lurline Bay section of coastal walk way.

Some verbatim responses of those who chose Option 3:

Do it now - don't wait.

Focus on natural environment, arts and indigenous culture and people in need would help our community thrive. Thanks for the survey.

Full marks to Council for this important consultation initiative and for all the great work it has done in recent years.

Gutters and drains should be cleaned all the time.

How about your operating costs? Consider reducing employee and running costs. I am a male and I regard a Women's Refuge Centre as a massive priority. Domestic violence is often more hidden in, well to do suburbs like Sydney often because women don't have options. I hope it is perceived as high by Council also. I am, and will remain disappointed in the Inglis development. I support investing in our beautiful area and projects to strengthen our community. Thank you for the opportunity to provide feedback. No amalgamation. Underground powerlines. More street trees. Please prioritise issue of stormwater/sewerage pollution at Coogee Beach and all beaches in the municipality. The sooner the proposed works and upgrades are completed, the better our life standard will be in this Council Area.

Summary of community submissions

From the submissions received a number of key themes emerged which focussed on Council's planning and the setting of priorities, rate setting, delivery of services with other levels of government, hardship caused by rate increases, and financial matters such as concern with Council borrowing.

Table A below lists the key themes emerging from the submissions and provides a response. As many of the financial submissions refer to a specific financial aspect, our response addresses that aspect directly. A similar volume of broad ranging submissions relating to initiatives to encourage active transport and protecting the environment were received.

Of the submissions received, 51 referred to operational issues such as requests to upgrade playground equipment and have been carried forward for consideration in Council's development of the 2018/19 Operational Plan and Budget.

A number of group based submissions were received including:

- a petition noting concern with a proposal to include a café in the Mahon Pool amenities upgrade;
- submissions from affected businesses concerned about the proposed sub categorisation of rates in Port Botany; and
- submissions supporting public housing and low rise developments around schools.

Table 3: submissions in response to the public exhibition of the Randwick City Plan.

	Comment/issue	Council Response
1.	What is Council's planning framework? How are priorities identified and how does Council report progress?	The Randwick City Plan is a 20-year strategic plan modelled on an integrated planning process to reflect our community's vision and long term goals for the health and wellbeing of our people, our economy and the natural and built environment. Development of the Plan and the identification of the communities priorities come through Council's ongoing community consultation programs, our plans and from the elected councillors. Our planning is long term and we take into account the changing demographics and needs of our community when choosing the location, intended use and number of facilities. Our activities are framed within our resourcing to ensure we provide services and projects which best match the community's priorities in a cost effective way while delivering intergenerational equity. Details of our activities including specific projects are outlined in our annual Operational Plan and Budget following consultation with the community.

	Comment/issue	Council Response
		We continuously report on our progress delivering services and projects to the community through quarterly and annual reports providing accountability for doing what we said we would do.
2.	Why is council involved in delivering services with other levels of government?	The Randwick City Plan is the community's plan and does include the wider and more complex aspirations over which Council may not have sole control of, but still has a responsibility to contribute towards achieving the aspiration. Examples include social justice issues such as providing a refuge for women from domestic violence and obligations to ensure the safety of public places where people gather. Where possible Council will seek financial assistance from the State and Federal government to contribute towards the cost of these projects and continue to advocate for the local community through partnerships in multi-governmental delivery of services.
3	How does Council help those facing hardship in paying their rates?	Council offers ratepayers flexibility in setting payment arrangements that suit their individual needs. Rebates are available to eligible pensioners. Eligible pensioners also have the option of accruing their rates against their estate. Council has a Financial Hardship Policy which applies for all ratepayers. A copy of the Policy is available on Council's website.
4	How are average rates calculated? How long will the special variation to rates last?	<p>In the Our Community Our Future brochure, the 2018/19 average Residential rate is estimated at \$1,186. The average residential rates do not include the Environment Levy (which is a 'special' rate) or 'charges' that appear alongside rates on the annual Rate Notice, ie; the Domestic Waste Management Charge and the Stormwater Management Charge.</p> <p>The average Residential rate is also impacted by the prevalence of strata units. Over 50% of all residential properties in Randwick City are strata units. The land value for each strata unit is significantly lower than the value attached to land that contains a single dwelling. This is because the calculated land value for each strata unit is only an apportionment of the value of the land on which the apartment block sits. Randwick applies a Minimum Rate Structure to all properties which in 2017/18 is \$763.53. In 2017/18, around 27,000 properties pay the minimum rate, which has a significant impact in lowering the calculated average rate.</p> <p>Rates increases for the Delayed and Preferred options are proposed for three years; 2018/19, 2019/20 and 2020/21. In 2021/22, annual increases would revert to the annual rate-peg as determined by IPART.</p>

	Comment/issue	Council Response
5	Should businesses in high visitation areas be charged more than other businesses?	The Business Rate in Randwick City is around three times that of the Residential Rate. Council is not proposing to rate business property owners situated in tourist/high visitation areas any differently than they are currently levied.
6	If we adopt the do nothing approach, what will be the impact on services?	<p>The IPART rate peg has been set at 2.3% for the 2018/19 financial year. Randwick City Council employees are engaged under the Local Government Award (2017), which has mandated an annual increase in salaries commencing 1 July 2018 of 2.5%. Employee costs comprise 42% of Council's total expenditure.</p> <p>If Council were subject to the IPART rate peg it would immediately impact either the level of services provided or the level of infrastructure renewals being undertaken in the future. Council's financial modelling has shown that an increase of 3.52% in the 2018/19 financial year would be required to maintain current service levels including required infrastructure renewal.</p>
7	Productivity improvements and cost containment strategies	<p>Randwick City Council has a continuous improvement program where it strives to implement improvements and find efficiencies in all of its functions and processes.</p> <p>Incorporated into the Long Term Financial Plan are productivity ratios which reflect the value of the initiatives that Council implements in relation to productivity improvements and cost containments strategies. An Appendix has been added into the Long Term Financial Plan which lists the initiatives that have been implemented in the past and the major initiatives that are planned for the future.</p>
8	What happens to Council's rate revenue as the population grows? How are rates linked to land values?	<p>Although the population of Randwick City is growing, the amount of rates that Council can receive are not aligned with this growth, nor are they specifically aligned with the amount of new residential development.</p> <p>Much of our population growth is in strata units where the land value on which rates are based is lower on a per dwelling basis (refer item 4).</p>
9	Can Council investigate other sources of revenue such as user pays?	<p>Randwick City Council does utilise a user pays system where it is practicable and appropriate. Each year the Council sets its User Fees and Charges when developing the budget and receives approximately 12% (\$18m) of its revenue from this source.</p> <p>It is not appropriate for Council to set user fees and charges for use of community facilities at levels where it becomes prohibitive for users who may not have the capacity to pay. It is also not in the interest of Council to set them at levels</p>

	Comment/issue	Council Response
		<p>where it causes existing users to find an alternative, resulting in a reduction in revenue.</p> <p>All new or upgraded facilities will have a user pays system implemented so that the revenue stream can be used to fund the ongoing operations and maintenance of the facility, and mitigate any burden being placed on Council's rates.</p>
10	Objection to debt	<p>The utilisation of borrowings is an efficient way of enhancing intergenerational equity. Borrowing funds now to construct community facilities allows all generations of Randwick City Council ratepayers the opportunity to take advantage of them and contribute to their funding. Alternatively, should Council's approach be to accumulate funding each year until there are sufficient funds available for construction, this will result in the ratepayers of today funding the facilities for the ratepayers of tomorrow.</p> <p>Before entering into any loan contract Council will be ensuring that all financial risk mitigation measures and controls are in place for any future events which may impact Council's loan portfolio.</p>
11	Why do we need more money to fund BFOC projects?	<p>The Buildings For Our Community (BFOC) Program, funded by the three-year BFOC Levy, has been a very successful program providing great facilities for the Randwick City community. Council will continue the BFOC program as a long term strategy to provide improved and additional facilities.</p> <p>There are projects on the Our Community Our Future SRV major projects list that have received BFOC Levy funds in the past. This funding is still reserved for those projects, however due to the scale and scope of the necessary works associated with those projects, the current funding levels are not sufficient to commence the proposed work.</p> <p>A good example of this is the Gymnastics and Indoor Sports Facility at Heffron Park. It has received BFOC funding and that funding is being held in reserve, however the scale of that project is now on a level which needs substantial additional funding to commence and complete.</p>
12	What are the benefits of the proposed projects?	<p>A number of the projects contained within the Our Community Our Future SRV are existing facilities which due to their condition require large amounts of maintenance expenditure while their condition can prohibit an increase in their patronage.</p> <p>Prior to undertaking work, Council conducts a review of the community's needs, consults quality assurance experts, and provides design options for the community to provide feedback on.</p>

	Comment/issue	Council Response
		<p>Works proposed are intended to reduce the ongoing maintenance expense, provide modern facilities and encourage more use from members of the community.</p> <p>For all projects Council undertakes detailed business planning and invites community feedback on proposed designs through its community engagement.</p>
13	Financial Management and Governance	<p>The financial management and governance of Randwick City Council, as mandated by new legislation, is audited by the NSW Auditor-General and the Audit Office of New South Wales. In addition to this Council has a robust internal audit function and an Internal Audit Committee.</p> <p>Randwick City Council is required to comply with the Local Government Act 1993 (NSW) Borrowing Order and Council's rating revenue is also subject to a separate audit by the NSW Auditor-General.</p>
14	Financial modelling options	<p>There are an infinite amount of funding options that Council could apply to fund the projects listed in the Our Community Our Future consultation. However it would be impractical for Council to present and consult with the community on an excessive amount of options. The options that have been chosen for consultation have been recommended to be the preferred options for that purpose.</p>
15	Environmental sustainability	<p>The City Plan is centred around six themes which reflect the priorities of the Randwick community. Our community has identified the importance of protecting and conserving our environment and this is reflected in the Looking after our Environment theme in the City Plan. Specific initiatives undertaken by Council to protect and conserve our environment under this theme are detailed in our annual Operational Plans.</p> <p>In addition, every five years Council undertakes extensive engagement with the community seeking views on the environment. It is anticipated the next major consultation will be undertaken later this year.</p>
16	What are we doing to encourage active transport?	<p>Council shares a concern for the health and wellbeing of its residents and is supportive of initiatives to encourage increased walking and cycling. Council's plans to encourage active transport options are outlined in the Moving around theme of the City Plan. Council will continue to advocate on behalf of the community for integrated cycleways and pathways and work with the RMS and other authorities to develop a network linking key destinations within the City.</p>
17	Can big developments near schools be controlled?	<p>Any development proposal adjacent or near a school would be rigorously assessed to ensure environmental impacts are minimised, such as overshadowing.</p>

	Comment/issue	Council Response
18	Preservation of public housing	We are not aware of any plans for development of public housing assets in Randwick City by the NSW government.
19	Can we relax regulation around car spaces	Council has resolved that the minimum space required for a car space must either comply with Australian Standard AS 2890.1 Parking Facilities or be at least 5 metres in length. In some circumstances, Council will consider indented car spaces where ground clearance and recess depth allow for adequate overhead clearance for the bonnet of a vehicle.
20	Are we over-reacting to terrorism risk?	World events have renewed people's concern around safety. As a popular tourism destination, many of our town centres, parks and beaches attract thousands of visitors on any given day. Randwick Council has a duty of care to help protect crowded places from terrorism and this is outlined in the Australian Government's Protecting Crowded Places from Terrorism Strategy.
21	Objection to café at Mahon Pool	<p>Council has prepared a design for an amenities building and Winter Swimming Club facilities at Mahon Pool to replace the existing buildings at the site. The design was subject to community consultation, and reported to Works Committee on 10 November 2015 (W30/15 Mahon Pool Amenities – Results of Public Consultation and Proposed New Building). The report may be found on Council's website.</p> <p>A café was not included in this proposal and that is Council's current position.</p> <p>With the election of the new Council in September 2017, all major projects are being considered as part of Our Community Our Future. Through this consultation, Council is gauging if the community view may have changed towards the inclusion of a café in the Mahon Pool project.</p>
22	Concern about affordable housing	<p>Council is concerned about housing affordability and has an Affordable Housing Policy to assist in the provision of affordable and appropriate housing for residents and employees living in the Randwick Local Government Area.</p> <p>At a Council meeting on 28 November 2017, Council resolved to investigate reducing minimum lot sizes for low density residential development and hold a forum on this matter with a report to be brought to a Council meeting this year. Council has commenced its investigations and is aiming to hold the forum in March with a view to reporting on the results of the forum to Council thereafter.</p>
23	Objection to introduction of Port Botany rate	During the consultation period specific letters were issued to property owners affected by the sub-categorisation proposal of the Port area. Letters included a comprehensive table showing current and proposed rates (with cumulation) for

	Comment/issue	Council Response
		individual properties. Council met with representatives of NSW Ports on 1 Feb 2018. It is noted that NSW Ports, in their ongoing conversation with the Council, are representing all of the owners and tenants located at the port.

Of those submissions received which prioritised major projects, there was strong support for the undergrounding of powerlines (13) and the indoor sports centre and gymnastics centre (18). It should be noted that five submissions were received which were explicit in not favouring the proposed indoor sports and gymnastics centre while seven submissions opposed the undergrounding of power lines mostly because of concern about the cost involved. Eight submissions explicitly expressed support for a women’s refuge centre while five did not support the building of a centre mostly as this could be considered a State Government responsibility.

Support for the Arts and Cultural Centre suggested that Council consider providing services through existing facilities, such as the Randwick Literary Institute and La Perouse Museum. Two submissions questioned the benefits of either the Arts and Cultural Centre or La Perouse Museum for the broad base of the community. There were five submissions supporting the upgrade of the La Perouse Museum.

Four submissions were received explicitly stating support for Option 1, 13 for Option 2 and 17 for Option 3.

A number of enhancements were made to the Plan in response to the submissions outlined, such as an acknowledgement of the community’s request for more dedicated cycleways.

Service delivery over multiple levels of Government

One issue emerging from the public submissions was the shared responsibility for service delivery across more than one level of government, in particular relating to protecting crowded places from terrorism. While the Federal and State Governments have responsibility for protecting crowded places from terrorism, local government, as the owner of public places where people gather, has a duty of care to protect their sites and people who gather there. This commitment aligns with Council’s role in ensuring the health and wellbeing of its community and may take a variety of forms for example installation of protective infrastructure such as bollards; implementing protective technologies; and working with other authorities in managing crowds.

Council has written to both the Federal and State Government’s requesting clarification of whether there is funding to assist Council to fulfil its obligation to provide public safety mechanisms.

The Heffron Centre

A significant project in the City Plan and a major component of the resourcing for the delivery program is the master planning for Heffron Park.

As per the Office of Local Government’s (OLG) guidelines regarding capital expenditure, it is a requirement to lodge a capital expenditure (CAPEX) review for any planned major project with the OLG prior to applying for a Special Rate Variation to IPART.

In line with the OLG’s guidelines, Council has lodged a CAPEX review for the proposed indoor multi-purpose sports facility and gymnastics facility. This review can be withdrawn and does not formally commit Council to proceeding further.

In addition the OLG has established guidelines for public private partnerships for councils which requires notification of planned projects to the Office. Notification of the Public Private Partnership Review (Heffron Centre) at this stage may avoid potential delays to the process and does not formally commit Council to proceeding further.

The Capital Expenditure Review and Public Private Partnership Review for the Heffron Centre have been prepared in accordance with previous Council resolutions and are the subject of separate confidential reports to Council’s Committee Meeting on 13 February 2018. These reports have been

made confidential to reflect commercial in confidence aspects in the reports such as costing and financial information regarding the project.

These reports will be made publically available once it is no longer necessary to keep the commercial in confidence aspects confidential.

Productivity improvements and cost containment strategies

Incorporated into the Long Term Financial Plan (LTFP) are productivity ratios which reflect the value of the initiatives that Council implements in relation to productivity improvements and cost containments strategies. An Appendix has been added into the LTFP which lists the initiatives that have been implemented in the past and the major initiatives that are planned for the future.

Changes to documentation

These included:

- Inclusion of tree canopy measure in Looking after Environment theme on page 76
- Reference to dedicated cycleways (City Plan page 65) to acknowledge the communities priority for a network of pathways, preferably dedicated, connecting major destinations.
- Update of demographic information in line with the latest release of Census information in late 2017;
- Inclusion of Productivity Improvements and Cost Containment Strategies in the Long Term Financial Plan;
- Minor administrative improvements.

Delivery Program Forward Estimates

The forward estimates detailed in this report have been derived from the 2018-28 Long Term Financial Plan (LTFP). The LTFP, along with the Asset Management Strategy, Digital Strategy and Workforce Plan, underpins the Council's Delivery Program and City Plan outlining how these will be resourced in the future.

The forward estimates relate to the LTFP Primary Financial Model, outlined as Option 3 - Preferred Approach in the Our Community Our Future brochure. The LTFP Primary Financial Model is based on setting a cumulative rate increase of 19.85% over the next three years and provides for the introduction of a Port Botany business rate sub category and the use of borrowings. The Asset Management Strategy, and associated plans, the Digital Strategy and the Workforce Plan are also based on Primary Financial Model.

The projected financial result as illustrated in the Primary Model of the LTFP indicates continuing operating surpluses, strong growth in capital expenditure and Council meeting all of the financial indicator benchmarks and financial objectives. The Primary Model, which includes the special rate variation, Port Botany business rate sub category and borrowings, indicates the Council continuing its position as a financially sustainable Council over the next 10 years.

Table 4: Delivery Program 2018-21 Forward Estimates

	Year 1 2018/19 \$ '000	Year 2 2019/20 \$ '000	Year 3 2020/21 \$ '000
Income from Continuing Operations			
<i>Revenue:</i>			
Rates & Annual Charges	115,279	116,364	122,246
User Charges & Fees	18,543	19,160	19,797
Interest & Investment Revenue	1,280	1,257	1,202
Other Revenue	8,584	8,875	9,145
Grants & Contributions provided for Operating Purposes	7,082	7,230	7,382
Grants & Contributions provided for Capital Purposes	5,142	5,200	5,208
Total Income from Continuing Operations	155,911	158,085	164,981

Expenses from Continuing Operations

Employee Benefits & On-Costs	64,356	66,716	69,165
Borrowing Costs	1,350	1,287	1,222
Materials & Contracts	37,604	38,544	39,508
Depreciation & Amortisation	22,823	23,802	24,846
Other Expenses	16,064	16,538	17,753
Net Losses from the Disposal of Assets	3,002	1,411	1,542
Total Expenses from Continuing Operations	145,199	148,298	154,039

Operating Result from Continuing Operations

	10,711	9,787	10,942
Net operating result for the year before Grants and Contributions provided for Capital Purposes	5,569	4,587	5,734

Relationship to City Plan

The relationship with the City Plan is as follows:

Outcome 1: Leadership in Sustainability.

Direction1a: Council has a long term vision based on sustainability.

Financial impact statement

The Randwick City Plan is supported by the Long Term Financial Plan (LTFP). The LTFP Primary Financial Model is based on setting a cumulative rate increase of 19.85% over the next three years of the Delivery Program 2018-21 and provides for the introduction of a Port Botany business rate sub category and the use of borrowings. The Asset Management Strategy and associated plans, the Digital Strategy and the Workforce Plan are also based on Primary Financial Model.

The projected financial result within the Primary Model of the LTFP indicates continuing operating surpluses, strong growth in capital expenditure and Council meeting all of the financial indicator benchmarks and financial objectives.

Conclusion

The review of the Randwick City Plan details major new projects offering our community facilities of scale and diversity and provides for intergenerational equity in their provision and resourcing.

Feedback received indicates that the community has strong support for the Plan, the Resourcing Strategy and the application for a cumulative rate increase of 19.85% over the next three years to IPART.

Through the review and preparation of the Plan, and through continued partnerships with key stakeholders Council is in a strong position to implement the vision as established by the community.

Recommendation

That:

- a) Council adopt the 20-year Randwick City Plan and 10-year Resourcing Strategy;
- b) Council apply to IPART for a cumulative special variation to rates income of 19.85% over the three years of the three-year Delivery Program (2018-21), as per Primary Financial Model of the LTFP;

- c) Council endorse the development of a draft budget for 2018/19 based on the primary model as outlined in the Long Term Financial Plan;
- d) the General Manager be authorised to make any minor changes as requested by the Council or the NSW Office of Local Government; and
- e) as per the Planning and Reporting Guidelines for Local Government in NSW (2010), a copy of the plan be provided to the Director General of the NSW Office of Local Government, Department of Premier and Cabinet within 28 days of it being endorsed by Council.

Attachment/s: Printed copies will be available at the meeting

- 1. ➡ Link to the 20-Year Randwick City Plan
- 2. ➡ Link to the The Resourcing Strategy Executive Summary 2018-28
- 3. ➡ Link to the Long Term Financial Plan 2018-28
- 4. ➡ Link to the Asset Management Strategy 2018-28
- 5. ➡ Link to the Workforce Plan 2018-28
- 6. ➡ Link to the Digital Strategy 2018-28

ENDNOTES

ⁱ 3 Independent (including the previous mayor); 5 Labor; 2 Greens. The 3 Liberals and 1 Greens (the Mayor) voted for Option 2, a cumulative rise of 13.1%.

ⁱⁱ 14/12/17: Notice of application to IPART for cumulative 18.68% increase and increase to Port Botany to align with Bayside. <https://www.ipart.nsw.gov.au/files/e3d8a536-ca52-46ae-a861-507352104ab5/Application-Notification-Letter-2017.pdf>

ⁱⁱⁱ <http://www.randwick.nsw.gov.au/about-council/news/news-items/2018/february/community-backs-randwick-council-rate-variation>

^{iv} I attended this meeting and heard some Councillors say it was an overwhelming majority. I can understand the confusion given the manner in which the figures are presented.

^v It is not clear from reading the attachment to the RCC submission how this material was presented.

^{vi} There is no explanation as to why it was conducted like this. I know people who didn't return their survey because it was not private and of one person who refused to answer the telephone survey on privacy grounds. Given the number of scam calls that people receive it is understandable that they would not wish to participate.

^{vii} Some might argue that it is easier to indicate the higher rate when you don't have to pay. However, the issue of the flow-on effects has been overlooked for both domestic and business ratepayers and included are the social consequences.

^{viii} Who would naysay?

^{ix} https://www.ipart.nsw.gov.au/files/sharedassets/website/trimholdingbay/electricity_undergrounding_in_new_south_wales_-_a_final_report_to_the_minister_for_energy_-_website_document_isbn1877049220.pdf

^x There is no explanation for why one list differs from another.

^{xi} However, Anti-terrorism is listed on the website notice of 14th February 2018. Placing 'General Safety' within a 'Terrorism' frame is not necessarily helpful. We need safety measures, such as CCTV surveillance to counter anti-social and criminal behaviour.

xii <http://www.randwick.nsw.gov.au/planning-and-building/council-works-and-upgrades/major-projects/the-heffron-centre>

xiii http://www2.randwick.nsw.gov.au/councillorguide/module_04/assets/doc/Heffron_Park_Plan_of_Management.pdf

xiv In Randwick City, 32% of people spoke a language other than English at home in 2016.....<https://profile.id.com.au/randwick/language>

Language spoken at home - Ranked by size								export	reset
Randwick City - Total persons (Usual residence)		NEW 2016			2011			Change	
Language (excludes English)	Number	%	Greater Sydney %	Number	%	Greater Sydney %	2011 to 2016		
a Mandarin	10,155	7.2	4.7	6,126	4.7	3.0	+4,029		
a Greek	4,516	3.2	1.6	4,947	3.8	1.8	-431		
Cantonese	4,166	3.0	2.9	4,418	3.4	3.0	-252		
Indonesian	2,315	1.6	0.6	2,487	1.9	0.5	-172		
Spanish	2,297	1.6	1.2	1,976	1.5	1.1	+321		
French	1,911	1.4	0.4	1,360	1.1	0.4	+551		
a Russian	1,812	1.3	0.4	1,792	1.4	0.4	+20		

xv clumsy 'Advertising 101' language.

xvi It is worth noting that candidates for the telephone interviews were chosen from the White Pages – could be considered a special demographic in the age of smart phones.

xvii Apart from NSW Ports and tenants at the DP World Terminal, Port Botany.

xviii RCC wholeheartedly supported Light Rail and conducted a similar 'Preferred Option' style of consultation leading up to the EIS. \$68 million was voted at a meeting in April 2014 for Light Rail support <https://www.dailytelegraph.com.au/newslocal/city-east/randwick-council-approves-allocation-of-68-million-support-plan-for-light-rail-integration/news-story/cc7843463ba973d8b095b89204a0a406?sv=a1269d117b304263288cf1fa6475c945> When the trees were removed from Alison Road and Anzac Parade (as clearly listed in the 2013 EIS and 2014 Mod) around December 2015 Council paid for 'protest signs'. Avoidance of waste such as this has not been discussed.

xix It should also be noted that many of the small businesses rent and the property owners will pass on the increases. It would be interesting to model effects to ascertain possible impacts on employment. Similar for residential renters.

xx I have listed all the comments as shown in this section of *the report*.

xxi Figure quoted by NSW Ports representative at the Council Meeting 13th February 2018.

xxii <https://www.yoursayrandwick.com.au/waste2030>

xxiii There are further savings which might be achieved were there a commitment to collaboration.

xxiv These are 'marketing methods' of the type that Noam Chomsky referred to in 'Manufacturing Consent'.

xxv <http://www.randwick.nsw.gov.au/about-council/news/news-items/2017/april/debt-free-randwick-council-announces-2018-draft-budget>

^{xxvi} Positive TCorp assessment in 2014 of 10 year forecast <https://www.ipart.nsw.gov.au/files/16631c5b-31a1-4c0e-87c1-0e35f58bcb61/Attachment-4-TCorp-Financial-Assessment.pdf> which included the following projects from 2013-2017:

Building for the Community Program 2013-2014

Kensington Community Centre upgrades \$2.7m

Randwick Town Hall Renovation \$1.2m

Heffron Park Central West Precinct amenities construction \$1.2m

Coogee Citizens Centre upgrades \$1.0m

Heffron Park South West Precinct amenities upgrades \$1.0m

2014-2015

Matraville Youth and Cultural Hall renewal \$1.0m

Mahon Pool amenities renewal \$1.0m

Popplewell Park childcare centre construction \$0.8m

2015-2016

Maroubra Beach Community Centre renewal \$1.9m

Heffron Park Indoor Sports Centre construction \$1.6m

Kingsford Town Centre amenities construction \$0.6m

2016-2017

Southern Suburbs Youth facility construction \$2.7m

Wylies Baths Amenities renovation \$1.3m

^{xxvii} The response to submissions listed as 8 in *the report* appears inaccurate. Moving from Low to medium density and medium to high is usually associated with a higher rate take overall.

^{xxviii} Perhaps the priority should be a Digital Strategy

^{xxix} Final Budget for 2017-18 http://www.randwick.nsw.gov.au/data/assets/pdf_file/0011/199235/2017-18-Budget.PDF