

**Subject 11.1.2 Draft Community Strategic Plan 2013-2023,
Draft Resourcing Strategy 2013-2023 and Draft Delivery
Program 2013-2017 including the Operational Plan
2013-2014**

To the Mayor and Councillors

Division: General Manager's Division
Department: Corporate Strategy & Finance

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Summary

The purpose of this report is to seek Council's endorsement of the public exhibition of the Draft Community Strategic Plan 2013 - 2023, Draft Resourcing Strategy 2013 - 2023 and the Draft Delivery Program 2013 - 2017 including the Draft Operational Plan 2013 - 2014. At this time the Draft Operational Plan does not include detailed Budget estimates.

The endorsed documents (excluding the budget estimates) would be placed on exhibition for a period commencing 2 March 2013 to Tuesday 2 April 2013.

Council will be asked to consider the 2013/14 budget estimates at its meeting of 30 April 2013 with a separate exhibition period recommended. The adoption of all documents will be sought before 30 June 2013.

The analysis undertaken in the development of the Resourcing Strategy has highlighted that Council does not have the resources to fund the current levels of services, programs and infrastructure renewal at the same time. Without additional revenue Council cannot afford what the community has indicated it values through the Community Strategic Plan (CSP) engagement process.

As highlighted by a recent interim Independent Local Government Review Panel's report, Councils in NSW face a significant challenge to maintain financial sustainability. Shellharbour City Council, like many other Councils cannot continue to operate on current practices and to deliver the outcomes of the CSP.

Council therefore needs to consider endorsing an increase to its rates income, above the rate peg limit of 3.4%. The Independent Pricing and Regulatory Tribunal (IPART) has been advised of Council's intention to submit for consideration and assessment, an application for a Special Variation to General Income. This follows Council's endorsement at its meeting of 27 November 2012.

For the purposes of reporting and preparing for any application to the IPART for a Special Rate Variation, the draft Long Term Financial Plan and draft Asset Management Plan have been developed on the basis of including a Sustainable SRV.

Notwithstanding, if Council resolves to endorse for the purpose of public exhibition, either a Small Increase or No Rate Increase above Rate Peg, those documents will be amended accordingly to reflect that resolution.

Background

Integrated Planning and Reporting Framework

The Integrated Planning and Reporting Framework (IP&R) provides Councils in NSW the opportunity to work with their communities to develop a long term plan for their areas. The Framework is a legislative requirement that forms part of the *Local Government Act 1993*.

Integrated Planning considers the longer term future of an area and is based around a Community Strategic Plan (CSP) that reflects the community's aspirations and needs for the future.

The CSP is informed by relevant information relating to four key areas - Community, Environment, Economy and Leadership. This Framework encourages councils to draw their various plans together, to understand how they interact and to ensure the greatest benefits are achieved from comprehensively planning for the future.

Ultimately, the Framework provides greater accountability and transparency. Councils are required to outline a clear strategic direction for their community through their CSP and then report their performance back to their community, in line with pre-defined community indicators.

The Integrated Planning Framework is outlined below and consists of four layers of plans – the **Community Strategic Plan**, a **Resourcing Strategy**, a **Delivery Program** and an **Operational Plan**.



Community Strategic Plan

The CSP reflects the community's vision for the City and sets the direction for the future. It reflects what the community is striving to achieve, the Strategies it will use to achieve the vision and the outcomes that will indicate it has reached the Objectives.

It is developed and delivered as a partnership between Council and the community. It helps address community, environmental, leadership and economic issues. It also integrates with key Council documents such as the *Crime Prevention Plan*, *Local Environmental Plan 2012* and the *Aboriginal Employment Strategy*.

This Plan is an update of the *Community Strategic Plan 2011-2021* that was adopted by Council in 2011. It retains the long-term vision and themes of the original CSP, ensuring Council's planning process remains consistent. As with the previous CSP the current Plan identifies the main priorities and aspirations for our City.

Resourcing Strategy

The ten year **Resourcing Strategy** informs the development of the Community Strategic Plan and describes the resources Council is going to utilise to achieve the Objectives and Strategies.

It ensures there is an appropriate mix and delivery of infrastructure services combined with sufficient financial and human resources available. It is made up of three key components - the **Long Term Financial Plan** inclusive of a Sustainable Financial Strategy, a **Workforce Management Plan** and an **Asset Management Plan**.

Long Term Financial Plan (LTFP)

The LTFP helps us to better understand our long term financial position. It draws information from all of the IP&R documents to forecast Council's capacity to provide financial resources to meet the Objectives of the CSP.

Consideration of a Special Rates Variation was explored in the preparation of the LTFP and an initial funding model was developed and this was then converted into the three scenario models:

- Sustainable Increase (SRV) Scenario 1
- Small Increase (SRV) Scenario 2
- No Rate Increase above rate peg (and reduced services) Scenario 3

Two of the scenario models have incorporated increases in rates revenue and reductions in expenditure have been incorporated into all scenarios (see later in this report).

Asset Management Plan (AMP)

The AMP sets a framework for the sustainable management of current and future assets so that Council can continue to deliver services to the community in a financially sustainable manner.

It provides information about our assets, provides evidence of responsible asset management and summarises information with regard to funding aimed at bringing assets to a desirable level of service.

Council is the custodian of infrastructure assets valued at over \$443M. These assets have been acquired by purchase, contract, construction by staff or assets constructed and donated by developers. Shellharbour City Council's primary objectives in managing these are:

- to be sustainable in the management all assets
- to provide a desirable level of service for the assets under its stewardship for the existing and future community.

The Asset Management Framework is made up of three components: The Asset Management Strategy, an Asset Management Policy and a number of Asset Management Plans for each of Council's asset classes.

The Asset Management Policy sets the framework for undertaking asset management.

The Asset Management Strategy outlines a structured set of actions aimed at enabling improved asset management. The AM Strategy enables Shellharbour City Council to show how its asset portfolio support the delivery service needs for the community in the future.

The Asset Management Plans are tactical plans outlining particular actions and resources required to provide defined levels of service for each class of assets under Council's control.

Our asset categories include:

- Roads and Transport
- Stormwater Drainage
- Buildings
- Recreational Facilities
- Aquatic Facilities.

Significant progress has been made over the last two years to improve information on Recreational Facilities and Aquatic Facilities Asset Management Plans. Work also is being undertaken to update the Roads and Transport, Stormwater Drainage and Building Asset Management Plans and it is anticipated that they will be available during the exhibition period. As further information becomes available on the condition of our assets the Plans will continue to be developed.

For the purposes of reporting and preparing for any application to the IPART for a Special Rate Variation, the draft Long Term Financial Plan and draft Asset Management Plan have been developed on the basis of including a Sustainable SRV. If Council resolves to endorse for the purpose of public exhibition, either a Small Increase or No Rate Increase above Rate Peg, those documents will be amended accordingly to reflect that resolution.

Workforce Management Plan (WMP)

In order to meet the priorities and needs of the community identified in the CSP Council must ensure that it has the right mix of people, skills and resources to use when and where they are needed. This document considers both the medium and long term needs of the organisation and provides a framework for dealing with immediate challenges in a consistent way.

Key priorities for Council over the life of the plan include:

- Recruitment and retention of staff
- Performance improvement
- Career planning and professional development
- Rewards recognition
- Employee engagement
- Leadership and development.

The Plan endeavours to build an organisational culture which continues to attract and retain the best staff possible.

The Delivery Program and Operational Plan

Shellharbour City Council's Delivery Program 2013-2017 including Operational Plan 2013-2014 are combined into one document and details Strategies and Actions for the key areas of Community, Environment, Economy and Leadership.

The rolling four year Delivery Program is a practical statement of how Council aims to achieve community Objectives, as articulated in the CSP. This will be accomplished through ensuring adequate resources, monitoring our progress, advocating on behalf of the community and building partnerships.

This Program directly addresses the Objectives outlined in the Community Strategic Plan, sets out Strategies for Council to undertake across the full range of Council's operations. It includes measures to monitor our success and identifies the key partnerships required to work towards achieving the Strategies.

The Operational Plan flows directly from the Delivery Program Strategies and sets out Council's planned Actions for 2013-2014.

It outlines in more detail the individual Actions that Council will undertake in the 2013-2014 financial year, identifies measures to determine the effectiveness of the projects, programs and services, contains the annual Fees and Charges as well as Council's Revenue and Rates policies, in order to meet the commitments made in the Delivery Program.

Council is required to review the Operational Plan annually, including the Draft Budget. This year as a result of Council's consideration of an SRV, there is a need for Council to consider the majority of the IP&R documents for exhibition, prior to IPART's special rate variation application closing date of 11 March 2013.

Council will then be asked to consider the detailed 2013/14 Budget estimates in late April, before a second exhibition period. This two part process has been discussed and confirmed with IPART. All documents will then be combined for final adoption purposes in late June 2013.

Revenue Policy/Fees & Charges

The draft Revenue Policy and Fees and Charges Schedule are included within the Operational Plan 2013-14 as an attachment to this report.

The Revenue Policy details Council's pricing policy with respect to the provision of goods and services. It creates a framework within which responsible pricing decisions can be made. The full costs of providing goods and services will be identified, and will be used

along with factors such as existing and potential markets, community service obligations, public interest and community benefit in determining the revenue structure for the provision of any given good or service.

Council staff recently performed a major review of the goods and services available to the community and the fees and charges attached to them. One of the main tasks of the review was to determine as accurately as possible, the total cost of providing each good or service. This included the allocation of indirect costs and overheads where applicable. Once the costings were finalised, each fee or charge was classified into categories based on whether any subsidisation from Council was appropriate. Comparisons were then made between the current pricing and the actual cost of providing the goods or service. Where costs were greater than current prices and the fees were classified as 'full cost recovery', staff were encouraged to increase prices incrementally over appropriate timeframes to eliminate any subsidisation levels.

Special Rate Variation

Since the implementation of the last CSP, it has been recognised that Council needs to review its longer term financial position in conjunction with the level of funding being committed to infrastructure asset renewal. One of the key financial indicators required to be produced in all NSW Councils financial reports is the Building and Infrastructure Renewals Ratio, which assesses the rate at which these types of assets are being renewed relative to their depreciation (consumption). Historically, Council's renewal ratio has been 0.15 - 0.20. This is well below the state and Group 4 Council average, which has been approximately 0.80, up until and including the 2009/10 financial year.

An important part of the engagement with the community in reviewing the CSP and associated IP&R documents was increasing Council's understanding of the community's service level needs and to explore a range of funding options to increase the renewal ratio, including the consideration of a special rate variation. To fund the community's expectations, three funding scenarios have been modelled in the LTFP.

Sustainable Increase (SRV) Scenario 1

In the Sustainable SRV Increase Scenario, a program of infrastructure renewal has been included in the LTFP but this is dependent upon Council adjusting one of its main levers - increased rates income. The proposed increases to rates until 2016/17 under this scenario are as follows: 8.4% in 2013/14, 9% in 2014/15, 10% in 2015/16 & in 2016/17 an increase of 10%.

The proposed increase to rates will enable Council to achieve, over a four year period, a Buildings and Infrastructure Asset Renewal Ratio of approximately 0.80. The additional income raised over the four year period would remain in the rate base on a permanent basis and be separately quarantined each year for funding of infrastructure asset renewal purposes.

Small Increase (SRV) Scenario 2

Scenario 2 in Council's LTFP incorporates rate revenue from a Small Special Rate Variation. In this scenario additional rate revenue from a Special Rate Variation, less than the Sustainable SRV, will enable Council to work towards an improved Buildings and Infrastructure Asset Renewal Ratio, with the aim of achieving a 0.50 Ratio by the 2016/17 financial year.

The proposed increases to rates until 2016/17 under this scenario are as follows: 6.4% in 2013/14, 6% in 2014/15, 7% in 2015/16 & in 2016/17 an increase of 7.5%.

The additional income raised over the four year period would remain in the rate base on a permanent basis and be separately quarantined each year for funding of infrastructure asset renewal purposes.

No Rate Increase above Rate Peg (& Reduced Services) Scenario 3

The third Scenario in Council's LTFP is the Rate peg only increase Scenario. This Scenario has incorporated an increased capital renewal program that is the same dollar value as the increased capital renewal program presented under the Small SRV Increase Scenario (Scenario 2). However, rather than being funded by increased revenue from rates, the additional expenditure would be funded from increasingly larger reductions in Operational Expenses that would therefore necessitate reductions to many other Council services and programs. The specific services or programs that would be reduced under Scenario 3 have not been determined and the reductions have been included in the LTFP as generic reductions to the two largest expense categories.

Special Rate Variation (SRV) Telephone Survey

Council engaged IRIS Research to undertake a telephone survey of statistically valid sample of 403 Shellharbour residents (taking into account demographics and locality of residents) to gather feedback on the proposed SRV.

The key finding of this survey is that when presented with the three options, two in five rate payers (40.9%) in the Shellharbour Local Government Area supported an increase of 6.7% on average each year for four years to their residential rates. An additional 19.4% of rate payers supported Scenario 1, that residential rates increase by an average of 9.3% each year for 4 years.

A total of 39.7% of the surveyed ratepayers would not support a rate increase above the rate peg of 3.4%. These survey participants were asked which services and infrastructure they would like to see reduced as a result of this action 12.5% said nothing. An additional 6.3% stated that Council should cut costs or spend funds more wisely.

A total of 62% of respondents said they were either 'very supportive', or 'supportive', or 'somewhat supportive' of rates Scenario 2 (an increase of 6.7%), and asked why, 34% said this was reasonable and affordable. When asked about rates Scenario 1 (an increase of 9.3%) 43.7% of residents were 'very supportive', 'supportive' or 'somewhat supportive' of this scenario, and of these people, 31.2% said it was because they either wanted services maintained or improved.

To improve the condition of our assets along with maintaining current services, the Sustainable Increase (SRV) Scenario 1 option is recommended for Council to base its special rate variation application.

The additional funds raised from the special rate variation monies will be allocated for the renewal of the following types of infrastructure:

- Roads and footpaths
- Stormwater and drainage
- Community buildings and amenities (including sporting and other recreational facilities)

To progress any proposal Council will need to apply to IPART by 11 March 2013.

If approved, any special rate variation would be implemented from 1 July 2013.

Rating Structure

Sustainable Increase (SRV) Scenario 1

As part of Council's community engagement regarding a proposed rate increase, modelling information was provided based on an option of a Sustainable increase. This option sees an increase in general rates to 8.4% in 2013/14, which is 5% above the rate peg limit of 3.4%.

This would result in the following base rate and rate in the dollar amounts.

<u>Category</u>	<u>Base Rate</u>	<u>Ad-Valorem Amount</u>
Residential	\$508.80	0.31651 cents in the \$
Business	n/a	0.94749 cents in the \$
Farmland	n/a	0.21593 cents in the \$

Small Increase (SRV) Scenario 2

As part of Council's community engagement regarding a proposed rate increase, modelling information was also provided based on an option of a smaller increase. This involved an increase for 2013/14 of 6.4%, or 3% above the rate peg.

Adoption of this model would result in the following base rate and rate in the dollar amounts.

<u>Category</u>	<u>Base Rate</u>	<u>Ad-Valorem Amount</u>
Residential	\$499.41	0.31067 cents in the \$
Business	n/a	0.93001 cents in the \$
Farmland	n/a	0.21195 cents in the \$

No Rate Increase above Rate Peg (& Reduced Services) Scenario 3

If Council decides to adopt the rate peg amount of 3.4%, the following base rate and rate in the dollar amounts would result for 2013/14

<u>Category</u>	<u>Base Rate</u>	<u>Ad-Valorem Amount</u>
Residential	\$485.33	0.30191 cents in the \$
Business	n/a	0.90379 cents in the \$
Farmland	n/a	0.20597 cents in the \$

Land Revaluations

The land values in the Shellharbour City Council Local Government Area are re-valued every three years and are used as the basis for setting Council's rates. The most recent Notices of Valuation were issued in January 2013 by the NSW Government's Land and Property Information Division. These land values were determined as at 1 July 2012 and are to be used by Council from 1 July 2013. This has resulted in a reduction in the total land value (includes Residential, Business and Farmland) of approximately \$197 million or 3.4%.

Overall the land value of Residential properties reduced by 3.59%, Business properties reduced by 0.13% and Farmland properties reduced by 4.89%. In the Residential category the total land values of Barrack Point reduced by 9.41%; Shellharbour Village reduced by 7.51%; Oak Flats reduced by 6.44% and Warilla reduced by 3.60%. All the other suburbs

also had a reduction in their total land values except for the suburbs of Blackbutt, Flinders, Shell Cove and Shellharbour City Centre which all had an increase in total land values of less than 1%.

Figure 1 shows the estimated additional cost of rates per week for a land value of \$150K under the sustainable scenario.

Figure 1

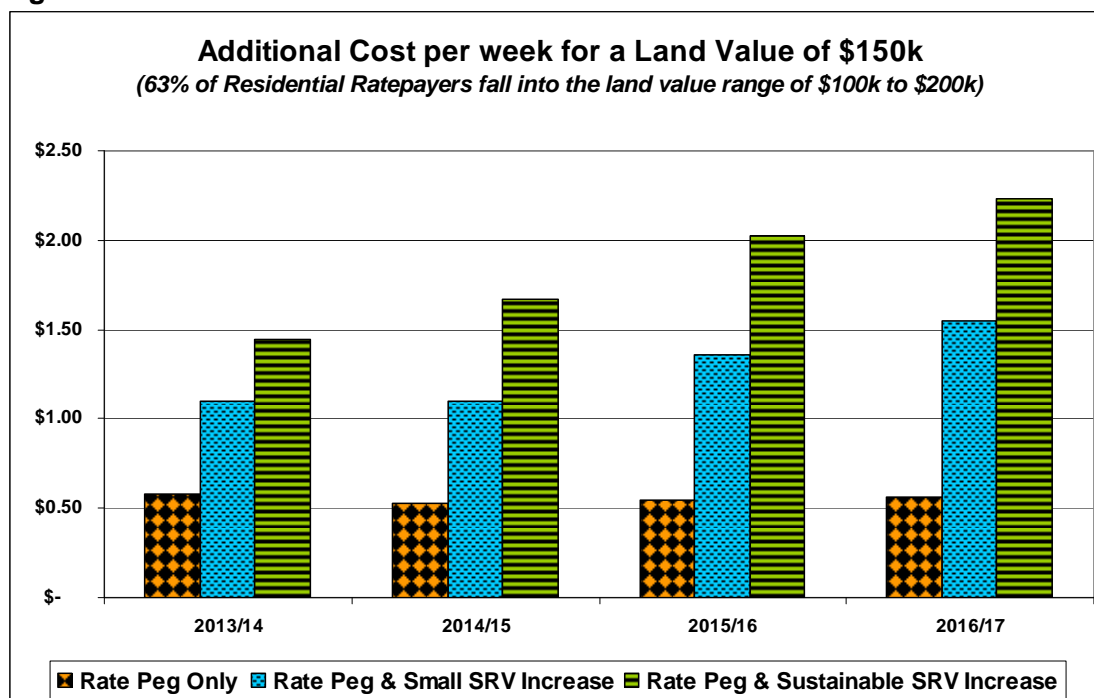


Figure 2 shows the projected Building and Infrastructure Renewal Ratio for the ten years of the CSP under the three scenarios.

Figure 2

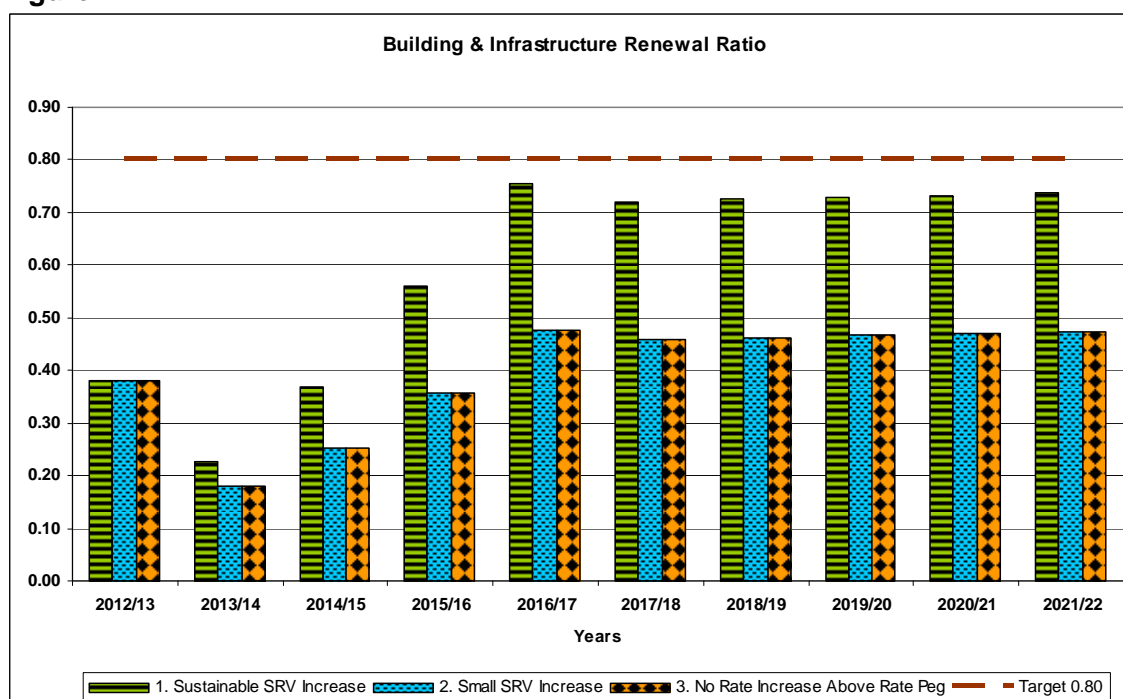
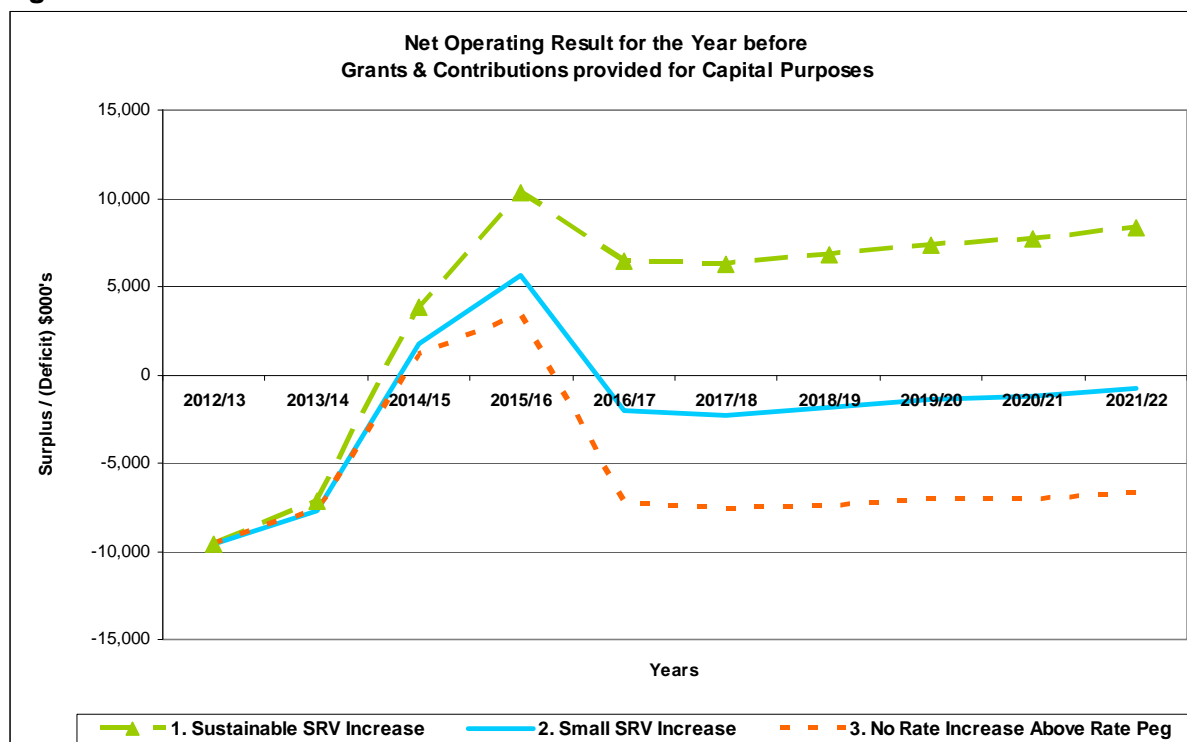


Figure 3 shows the projected Net Operating Result for the Year before Grants and Contributions provided for Capital Reserves for the ten years of the CSP under the three scenarios.

Figure 3



Conclusion

The issues that have emanated from the current Independent Review of Local Government in NSW include the need for Councils to be fiscally responsible and sustainable. Council taking proactive steps at this time to address its infrastructure renewal backlog is a demonstration that Council is willing and able to independently manage its liabilities. Further, addressing this challenge at this time considered the interests of future generations, ensuring they are not left to bear the financial burden of the inevitable asset renewal needs of the city.

Figure 2 above is especially stark in showing the challenge before the Council in achieving an acceptable level of asset renewal without a significant ongoing injection of funds for that purpose. Indeed, the council would have little or no prospect of achieving that without it, which would at some point in the future seriously call into question its financial sustainability.

This is a difficult choice for the Council to make.

On the one hand, it has to be mindful of the impact on ratepayers, the bulk of whose properties are valued in the range of \$100k to \$200k. On the other hand, it also has to be mindful of the cost of not doing so, which will fall in even harsher terms on future ratepayers. Given the relatively small additional cost that is being proposed as set out in Figure 1, there is a very strong case to put the Sustainable SRV rate increase to the community as part of the consultation process for the Draft Community Strategic Plan. Not to do so may only serve to bring that matter back before council in future years, in even starker terms than are apparent now.

Link to Community Strategic Plan

The Integrated Planning and Reporting suite of documents supports the following Objectives and Strategies of the Community Strategic Plan:

- Objective: A City that plans for our future in innovative ways
- Strategy: Continual improvement of each element of the Integrated Planning and Reporting Framework
- Strategy: Continue to engage with our community about planning initiatives
- Objective: A City that ensures the sustainable use of its resources
- Strategy: Manage Council's finances in a sustainable manner in accordance with appropriate professional standards and legislation

Consultations

Internal

All directorates of the Council

Councillors - Strategy Development Workshop

At the conclusion of the external community engagement phase a workshop was held with the elected representatives and Council staff to determine what the Strategies should be for the CSP 2013-2023.

The workshop provided clear direction for the establishment of the CSP Strategies.

Council Staff - Action Development Workshop

Following the Strategy Development Workshop a series of workshops were held with Council staff to write the Actions and key performance indicators for the Delivery Program and Operational Plan.

External

Community engagement is an important part of Council's role in the planning and delivery of services and facilities as we work towards achieving the Community's long-term Vision for Shellharbour City.

Council is committed to ensuring the community is actively involved in Council decision-making and activities, and implements engagement strategies that are appropriate and responsive to the needs of its diverse community.

A Community Engagement Strategy 'Continuing the Conversation' was developed to provide a framework for all the consultation undertaken in the review and preparation of Shellharbour City Council's Integrated Planning and Reporting documents.

Engagement activities that were undertaken to inform the development of the documents included a review of previous engagement undertaken by Council.

The following community engagement opportunities were made available to the community:

Community Survey 2012

In March 2012 Council engaged IRIS Research to undertake a telephone community survey on its behalf to canvass resident attitudes and opinions about the services and facilities provided by Council (this survey is undertaken bi-annually).

The survey provided an opportunity to gather feedback about how Council and its partners are progressing in meeting the objectives set out in the Community Strategic Plan 2011-2021.

Consultations with Children

During Local Government Week primary school children from various schools were given the opportunity to express through drawings what they love about Shellharbour. A total of 170 entries were received.

Key themes to emerge from the consultation identified that the children like to spend time with their family and friends at the beach, Lake or parks and that open spaces where they could play sport, run around or ride bikes or walk and play was very important.

Photographic Competition and Exhibition

Council held a Photographic Competition asking residents to submit photographs via Council's Facebook page and a caption explaining what's special to them about Shellharbour.

At the conclusion of the competition an award ceremony and exhibition was held. A total of 74 entries were received, 34 people attended the launch and award ceremony and a total of 330 people visited the exhibition held in the Shellharbour Village Exhibition Space over a 3 week period.

Themes that emerged from the entries and the comments received by visitors to the exhibit were that Shellharbour provides many natural recreational spaces where friends and family can gather and create memories.

Objective Refinement Workshop

To ensure the plan was updated to reflect the current community goals 11 community members, that were involved in the last CSP workshops participated in the review and rewrite of the Objectives over 2 workshop sessions.

CSP Review and Service Level Workshops

Following the establishment of the revised Objectives a number of CSP Review and Service Level Workshops were held across the city. A total of 40 people participated in 4 workshops held in Albion Park Rail, the City Centre, Shellharbour Village and Oak Flats. During the workshops participants were asked to identify what services, programs and infrastructure Council provides that they value the most and the recommended level of service for each.

Participants also nominated whether they would reduce, maintain or increase levels of services whilst considering the financial implications for the budget. In most instances the community recommended that service levels either be maintained or enhanced.

Online Budget Allocator Tool

Council provided the community with a conceptual online Budget Allocator Tool to find out what residents value the most to assist Council in finding the right mix of assets, services and programs while maintaining financial sustainability.

Council staff were available at Libraries across the City to provide assistance to those that required help with accessing the online tool. A total of 94 people used the tool with 62.37% of people choosing to increase the budget.

Youth CSP Review and Service Level Workshop

A total of 18 high school students (from 4 of the 8 local high schools) attended a workshop on 4 December 2012. They were asked to identify what services, programs and infrastructure that Council provides that they value the most and the recommended level of service for each.

The key priorities across the groups were Crime and Safety Programs, Road Pavements and Community Events and Programs.

Special Rate Variation (SRV) information Brochure

Council prepared a brochure outlining its financial position, asset renewal ratio and proposed special rate variation. It was distributed via mail to all rateable property owners, survey participants and was available on Council's webpage. This brochure provided ratepayers with information directly on the proposed SRV rather than expecting them to be aware of it through other indirect communication methods such as through the media and Council's webpage.

Special Rate Variation (SRV) Telephone Survey

As previously noted Council engaged IRIS research to undertake a telephone survey of 403 residents. Information on Council services, assets, the asset renewal ratio and proposed rate scenarios were distributed to participants prior to undertaking the survey.

Political Donations Disclosure

Not Applicable

Recommendation

That Council:

1. **endorse the Draft Community Strategic Plan 2013 - 2023, Draft Resourcing Strategy 2013 - 2023 and the Draft Delivery Program 2013 - 2017 including the Operational Plan 2013 - 2014 (excluding the detailed budget estimates) for the purposes of public exhibition**
2. **publicly exhibit these documents, commencing 2 March 2013, to Tuesday 2 April 2013**
3. **endorse the following rates and charges:**
 - a. **A Domestic Waste Service Charge of:**
 - \$358.00 per annum per 240 litre bin per fortnightly service**
 - \$251.00 per annum per 140 litre bin per fortnightly service**
 - \$60.00 availability fee**

\$533.00 per annum charge for a weekly service for special needs households in accordance with the Draft Revenue Policy

b. A Business Waste Service Charge of:

\$370.00 per annum per fortnightly service (garbage, recycling & green waste)

\$300.00 per annum per fortnightly service (garbage only)

\$83.00 per annum per fortnightly service (recycling only)

\$339.00 per annum per fortnightly service (garbage and recycling only)

\$88.00 per annum per fortnightly service (green waste only)

\$124.00 per annum per fortnightly service (two recycling bins only)

c. A Stormwater Management Service Charge of:

i) \$25.00 per residential assessment per annum

ii) \$12.50 per residential strata unit per annum

iii) \$25.00 per 350m² (or part thereof) per business assessment per annum capped at a maximum charge of \$150

iv) Business Strata Lots – pro rata per unit of business calculation per annum

d. The rate of interest by which overdue rates be increased for the year be 10 percent per annum, or any other percentage as permitted by the Minister of Local Government.

4. Endorse EITHER

(i) the following rate in the dollars based on a Sustainable Increase (SRV) - Scenario 1 in this report - 8.4%

a. For the residential rate category, a base rate of 45% (\$508.80) and ad-valorem component of 0.31651 cents in the dollar on the base date 1 July 2012 land value of all rateable residential land determined to be in this category, in the local government area.

b. For the business rate category, an ad-valorem rate of 0.94749 cents in the dollar on the base date 1 July 2012 land value of all rateable land determined to be in the business category general, in the local government area.

c. For the farmland category, an ad-valorem rate of 0.21593 cents in the dollar on the base date 1 July 2012 land value of all rateable land determined to be in this category, in the local government area.

d. Notes that rate yields and rates in the dollar (\$) may be subject to variation for any land values added to Council's rate base prior to final adoption.

OR

(ii) the following rate in the dollars based on a Small increase (SRV) - Scenario 2 in this report - 6.4%

a. For the residential rate category, a base rate of 45% (\$499.41) and ad-valorem component of 0.31067 cents in the dollar on the base date 1 July 2012 land value of all rateable residential land determined to be in this category, in the local government area.

- b. For the business rate category, an ad-valorem rate of 0.93001 cents in the dollar on the base date 1 July 2012 land value of all rateable land determined to be in the business category general, in the local government area.
- c. For the farmland category, an ad-valorem rate of 0.21195 cents in the dollar on the base date 1 July 2012 land value of all rateable land determined to be in this category, in the local government area.
- d. Notes that rate yields and rates in the dollar (\$) may be subject to variation for any land values added to Council's rate base prior to final adoption.

OR

- (iii) the following rate in the dollars based on a no rate increase above Rate Peg - Scenario 3 in this report - 3.4%
 - a. For the residential rate category, a base rate of 45% (\$485.33) and ad-valorem component of 0.30191 cents in the dollar on the base date 1 July 2012 land value of all rateable residential land determined to be in this category, in the local government area.
 - b. For the business rate category, an ad-valorem rate of 0.90379 cents in the dollar on the base date 1 July 2012 land value of all rateable land determined to be in the business category general, in the local government area.
 - c. For the farmland category, an ad-valorem rate of 0.20597 cents in the dollar on the base date 1 July 2012 land value of all rateable land determined to be in this category, in the local government area.
 - d. Notes that rate yields and rates in the dollar (\$) may be subject to variation for any land values added to Council's rate base prior to final adoption.
5. If EITHER Recommendation 4(i) or 4(ii) is resolved, submit an application to the Independent Pricing and Regulatory Tribunal for a Special Variation to General Income based on the endorsed Special Rate Variation.

Approved for Council's consideration:



Attachments

- 1. Draft Community Strategic Plan 2013 - 2023 (under separate cover)
- 2. Draft Resourcing Strategy 2013 - 2023 (under separate cover)
- 3. Draft Delivery Program 2013 - 2017 including the Operational Plan 2013 - 2014 (under separate cover)

**Subject 11.1.2 Draft Community Strategic Plan 2013-2023,
Draft Resourcing Strategy 2013-2023 and Draft Delivery
Program 2013-2017 including the Operational Plan
2013-2014**

1 RESOLVED: Murray/Stewart

That Council:

1. endorse the Draft Community Strategic Plan 2013 - 2023, Draft Resourcing Strategy 2013 - 2023 and the Draft Delivery Program 2013 - 2017 including the Operational Plan 2013 - 2014 (excluding the detailed budget estimates) for the purposes of public exhibition
2. publicly exhibit these documents, commencing 2 March 2013, to Tuesday 2 April 2013
3. endorse the following rates and charges:
 - a. A Domestic Waste Service Charge of:
 - \$358.00 per annum per 240 litre bin per fortnightly service
 - \$251.00 per annum per 140 litre bin per fortnightly service
 - \$60.00 availability fee
 - \$533.00 per annum charge for a weekly service for special needs households in accordance with the Draft Revenue Policy
 - b. A Business Waste Service Charge of:
 - \$370.00 per annum per fortnightly service (garbage, recycling & green waste)
 - \$300.00 per annum per fortnightly service (garbage only)
 - \$83.00 per annum per fortnightly service (recycling only)
 - \$339.00 per annum per fortnightly service (garbage and recycling only)
 - \$88.00 per annum per fortnightly service (green waste only)
 - \$124.00 per annum per fortnightly service (two recycling bins only)
 - c. A Stormwater Management Service Charge of:
 - i) \$25.00 per residential assessment per annum
 - ii) \$12.50 per residential strata unit per annum
 - iii) \$25.00 per 350m² (or part thereof) per business assessment per annum capped at a maximum charge of \$150
 - iv) Business Strata Lots – pro rata per unit of business calculation per annum
 - d. The rate of interest by which overdue rates be increased for the year be 10 percent per annum, or any other percentage as permitted by the Minister of Local Government.
4. Endorse

- (i) the following rate in the dollars based on a Sustainable Increase (SRV) - Scenario 1 in this report - 8.4%
 - a. For the residential rate category, a base rate of 45% (\$508.80) and ad-valorem component of 0.31651 cents in the dollar on the base date 1 July 2012 land value of all rateable residential land determined to be in this category, in the local government area.
 - b. For the business rate category, an ad-valorem rate of 0.94749 cents in the dollar on the base date 1 July 2012 land value of all rateable land determined to be in the business category general, in the local government area.
 - c. For the farmland category, an ad-valorem rate of 0.21593 cents in the dollar on the base date 1 July 2012 land value of all rateable land determined to be in this category, in the local government area.
 - d. Notes that rate yields and rates in the dollar (\$) may be subject to variation for any land values added to Council's rate base prior to final adoption.
- 5. That Council submit an application to the Independent Pricing and Regulatory Tribunal for a Special Variation to General Income based on the endorsed Special Rate Variation.

CARRIED 4/2

FOR VOTE - Cr Saliba, Cr Murray, Cr Rankin, Cr Stewart
 AGAINST VOTE - Cr Moran, Cr Marsh