



# Mayoral Column

Eric Noakes, Walcha Mayor

## ORGANISATIONAL CHANGES

General Manager (GM)

Barry Omundson presented to Council his review of our organisational structure at last week's Council Meeting. After an election it is a legislative requirement for the GM to review the structure within 12 months. At the outset, Councillors and I are very happy with the new direction of Council under Barry's leadership. The new structure will see an improvement in service delivery and a reduction in costs. GM Barry's view, supported by Council, was that we were a little top heavy and not as effective in areas where we should be. Subsequently there have been three redundancies in the management area. Three positions that are no longer on the organisational chart and funded, saving conservatively over \$200,000. Council has gone from what was effectively a four directorate structure to just two directorates, reporting to the GM. This will provide a more strategic approach enabling long term visions to be realised, while less reactive responses operationally. A major change is in our planning and development area. The planning functions are now combined with the infrastructure functions enabling a more seamless response to an increasing development demand. Currently the planning

and development elements are contracted services on a 2-day a week basis, however the new planning services commencing shortly will be three days: Tuesday, Wednesday and Thursday. These are the days you book in to see a planner, for example, if you want to build a shed, or an extension. Building inspections remain difficult to manage, with the resources available both internally and externally very limited, and the usual 48 hours notice will still be required. Please understand we are managing this function as best we can with what we have. This area is not about being able to afford the service delivery required, rather our ability to find the required resources to actually do the job. Financially it is not cost effective to have a five day week service in the planning and development area, however should the demand increase substantially then this would be reviewed. Other areas strengthened by the new structure include risk management, safety and infrastructure.

## FINANCIAL SUSTAINABILITY

This week will see our first workshop with Professor Drew who, with his team, is undertaking our Financial Sustainability Review, as previously mentioned. The changes to Council's structure will undoubtedly enhance services and reduce costs, however

that alone will not come close to balancing our books. Once Council has had the chance to digest Professor Drew's work we will be out in the community next month to discuss with you what we have found and what we may need to do to ensure our financial sustainability. Rest assured, Council is taking measures to increase our efficiency and effectiveness while reducing costs where we can.

## OFFICE CHANGES

Many of you have no doubt noticed the changes to the customer foyer and counter areas at Council, including the relocation of the Service NSW counter. Walcha Council received funding from the Department of Planning to create a planning space where customers are able to complete online Development Application lodgements with the NSW Planning Portal. This was an excellent opportunity to improve the customer service area and accessibility to the Service NSW counter, while creating an additional customer meeting area at Council. Service NSW have also generously provided funding for the relocation of the Service NSW counter with the project overall receiving 100% external funding. We strongly believe these changes will enhance your experience with us now and into the future and we look forward to seeing you at Council soon.

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## Financial Sustainability

As mentioned in last week's Mayoral Column we had our first of two workshops with Professor Drew last week with another planned for this week.

While I knew we were not in the best position in terms of sustainability, after the first workshop with Councilors it is undeniable that financially, our future is bleak at best. If we do not do anything.

As Professor Drew states "... a SRV (special rate variation) was absolutely necessary back in 2016 to mitigate the negative outlook of TCorp evaluation of weak financial sustainability", so this has not happened overnight and in fact has been compounding for over a decade. We will be talking with you in the next few months to come, about what the financial sustainability review has informed us, and what we believe we should be doing to ensure Walcha's identity now and well into the future.

One pertinent point made by Professor Drew was that our operating environment was one of the worst, if not the worst in New South Wales. We have an extensive road network and a very small rate base. Many people I speak to from time to time believe the rates they pay cover Council's costs to operate and as such should be directed on this road or that road, or having the waste facility operate seven days a week and so on. Yet the money you and I pay each year in rates, fees and charges amounts to around five million dollars. Our staff costs are considerably more than that, even with the recent reductions in management.

Your Council is a fifteen million dollar business, and what you and I pay covers about a third of the costs of the business of Council. This goes some way to explaining what Professor Drew means when he states the 'worst operating environment', as you can see we are largely dependent at the moment, on grants from either the state or federal governments. You can't keep blindly dipping into the well and expecting to find water – at some stage it will dry up if not replenished or replaced. Council's 'well' is full of negative numbers, and while some are about timing of payments and receivables, real cash is limited to today. We need to both plan for the future and be able to cover the costs arising from that future and that is what we will be discussing with you, as I say, over the next few months.

## Derby Street

One project that has been promised for some time, but looked like being de-scoped due to a funding shortfall, is the entrance to town on both ends of Derby Street.

Rising construction costs and drainage issues have plagued this work for two years, but now due to hard work by the infrastructure team at Council, an application to a heavy vehicle safety program has seen the allocation of \$4,560m to complete the original vision. New kerb and gutter, asphalt finish and parking at the showground will enhance the entrance to our town.

The engineers responsible for successfully seeking this funding deserve the credit and accolades for their proactive approach. On this subject I drove from Newcastle to Walcha last weekend and our section of Thunderbolts Way is much superior to Mid Coasts' and with a few sections to complete yet it is a much easier drive than four years ago.

## Public Notices

Walcha Council

### Application for a Special Rate Variation (SRV)

**\*\*PLEASE NOTE NEW TIME\*\***

The need for a SRV responds to a structural imbalance in the operating budget that has persisted for at least a decade. Quite simply, Council's required expenditure for staff, materials, and contracts exceeds its revenue in most years. If we don't get the SRV approved then it is unlikely that Walcha Council can become financially sustainable.

Accordingly, we have arranged for a number of different kinds of community engagement events, mostly at the Regional Meetings as well as:

- Walcha Bowling Club: Wednesday 19 October 2022 **at 5.30pm.**

Council will conduct two listening posts at the Walcha Street Stall Booth:

- Monday 17 October 2022 from 10am to 2pm, and
- Tuesday 18 October 2022 from 10am to 2pm

Further information on Council's financial sustainability can be found at <https://www.walcha.nsw.gov.au/council/financial-sustainability-review.aspx>.

We have also engaged the community with a letter drop which included a survey. Would you mind returning this to our Council Office at 2W Hamilton Street, Walcha as soon as you can.

Barry Omundson General Manager  
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