



## **Attachment H**

**Hand Out Material from  
Community Consultation Forums**



## GLEN INNES SEVERN COUNCIL ACHIEVEMENTS

It is nearly 10 years since Glen Innes Municipal Council and Severn Shire amalgamated to form Glen Innes Severn Council. During this period, Councillors have been prepared to make difficult decisions and Council's staff members, led by the General Manager, have implemented them. Glen Innes Severn Council inherited debts from both previous councils; despite this, it has achieved many significant outcomes including:

- Completing the Library/Learning Centre (an underfunded inherited project), with the Glen Innes Public and TAFE Library having the fourth (4<sup>th</sup>) highest number of circulations per capita in NSW in 2012
- Promoting economic development through the Woolworths and McDonalds developments, and the Australia Asia Flight Academy, which will be the most economically significant development in the region
- Delivering the essential new Sewerage Treatment Plant for Glen Innes
- Purchasing the Glen Innes Aggregates Quarry, which will serve as a back-up water supply in times of severe drought
- Conducting a detailed feasibility study into the future of the Glen Innes Landfill, which revealed that the current landfill will be viable for possibly another 25 years, and the adjacent brick pit could be used for waste later. This saved ratepayers a probable \$6 million (the cost of a new green fields facility)
- Providing Deepwater with a Water Filtration Plant
- Upgrading the Grey Street footpaths
- Implementing of a Water Pressure Management System, resulting in water savings of approximately 15%

These outcomes mean the fundamental services of water, sewerage and waste management are set to cater to our community for possibly the next 100 years. Promotion of the economic development and learning will also serve the community well into the future.

Further achievements include:

- Expanding its Aged and Disability Services section, to provide high quality care throughout the North-West region. Council's Aged and Disability Section has achieved accreditation with the International Organisation for Standardisation (ISO). This is a quality management standard, which is recognised and respected throughout the world. The Division of Local Government (DLG) has recognised Council for Better Practice in planning for the needs of the ageing population
- Achieving increases in Council's underlying operating performance year on year and increases in the underlying cash result over the past three (3) years
- Achieving above benchmark Unrestricted Current Ratios, indicating Council has sufficient liquidity, and an Interest Cover Ratio and DSCR (Debt Service Cover Ratio) well above benchmark over a three (3) year period
- Streamlining administrative processes. Before amalgamation, having two (2) Councils in one (1) town meant many services were duplicated. Amalgamation has allowed significant administrative cost savings. The recent Division of Local Government (DLG) comparative information report identified that Council's administrative costs (\$207.25 per person) are well below the group average (\$408.57 per person). Therefore local ratepayers are getting cost effective services.
- Only 23% of Councils in NSW were rated in a higher category for financial sustainability, than Glen Innes Severn Council. The recent Treasury Corporation of New South Wales (TCORP) review independently verified that, in terms of financial sustainability, Council is in a moderate position with a neutral outlook. Only 34 of the 152 councils in NSW were rated higher. Therefore Glen Innes Severn Council is sitting in a good position compared with majority of other councils, and is in a better financial position than many, much larger Councils. The TCORP report noted: *"The Council has been effectively managed over the review period based on the following observations. Based on our review of both the historic financial information and the 10 year financial forecast within Council's long term financial plan we consider Council to be in a satisfactory financial position."*
- Developing a comprehensive Community Strategic Plan after extensive community engagement. Council's Integrated Planning and Reporting Framework has been described as "very professional" and "an example of better practice" by the DLG.

Like all Councils in NSW, Glen Innes Severn Council has faced significant financial constraints. However, due to good management, Council has achieved many excellent outcomes for its residents, and is in a position to pay for further borrowings to allow roads and bridges to be upgraded.



## COMPARISON OF TWO BREAKDOWNS SUGGESTED FOR THE SPECIAL RATES VARIATION

### Option 1: Special Rate Variation (Original Proposal)

Rates category	YEAR					
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Residential (RATE PEG)	545.63	565.27	584.49	597.93	618.26	639.28
Special Rate Variation	545.63	565.27	584.49	656.38	678.70	701.78
Variance	-	-	-	58.45	60.44	62.49
% Increase		1.036	1.034	10.00%	0.00%	0.00%
Rate Peg %				2.30%	3.40%	3.40%
Compounding Increase				12.30%	16.12%	20.07%
Assessments	3,636	3,636	3,636	3,636	3,636	3,636
Revenue Raised	-	-	-	212,520.56	219,746.26	227,217.64
Farmland (RATE PEG)	1,875.85	1,943.38	2,009.45	2,055.67	2,125.56	2,197.83
Special Rate Variation	1,875.85	1,943.38	2,009.45	2,256.61	2,559.00	2,901.90
Variance	-	-	-	200.95	433.44	704.08
Suggested Increase %				10.00%	10.00%	10.00%
Projected Rate Peg %				2.30%	3.40%	3.40%
Compounding Increase				12.30%	27.35%	44.41%
Assessments	1,016	1,016	1,016	1,016	1,016	1,016
Revenue Raised	-	-	-	204,160.12	440,373.38	715,340.31
TOTAL ADDITIONAL REVENUE PROPOSED				416,680.68	660,119.64	942,557.95

### Option 2: Special Rate Variation (Further Proposal)

Rates category	YEAR					
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Residential (RATE PEG)	545.63	565.27	584.49	597.93	618.26	639.28
Special Rate Variation	545.63	565.27	584.49	656.38	711.52	735.71
Variance	-	-	-	58.45	93.26	96.43
% Increase				10.00%	5.00%	0.00%
Rate Peg %				2.30%	3.40%	3.40%
Compounding Increase				12.30%	21.73%	25.87%
Assessments	3,636	3,636	3,636	3,636	3,636	3,636
Revenue Raised	-	-	-	212,520.56	339,076.56	350,605.16
Farmland (RATE PEG)	1,875.85	1,943.38	2,009.45	2,055.67	2,125.56	2,197.83
Special Rate Variation	1,875.85	1,943.38	2,009.45	2,256.61	2,559.00	2,773.95
Variance	-	-	-	200.95	433.44	576.13
% Increase				10.00%	10.00%	5.00%
Rate Peg %				2.30%	3.40%	3.40%
Compounding Increase				12.30%	27.35%	38.05%
Assessments	1,016	1,016	1,016	1,016	1,016	1,016
Revenue Raised	-	-	-	204,160.12	440,373.38	585,343.19
TOTAL ADDITIONAL REVENUE PROPOSED				416,680.68	779,449.94	935,948.36

It should be noted that the increase in the Rate peg, excluding any special rates variation, is expected over the three years (2014/15 to 2016/17), to compound to 9.37%. Therefore, the net effect (or percentage increase) of the Special Rate Variation increase, is actually the difference between the "Compounding Increase" in green above and this 9.37%.

The proposed alternative (Option 2) was raised after consideration of the feedback from the Community consultation sessions held.

Please note that the "Variance" amount indicated above is based on the average assessment (or property value). Further, the variance identified is the expected dollar impact of the special rate variation compared with the status quo (rate peg increase only).



## FARMLAND RATE COMPARISON 2013/14

Rate Category	Sub- Categories	Shire	Valuation Base Date	Average Land Value within each Shire	Ad-Valorem	Base	Total Rates	Using Glen Innes Severn Average Land Values	Ad-Valorem	Base	Total Rates
Farmland		Gwydir	2012	1,105,548	0.3676169	\$ 160.00	\$ 4,224.18	700,279	0.3676169	\$ 160.00	\$ 2,734.34
		Inverell	2009	485,818	0.4121000	\$ 185.00	\$ 2,187.06	700,279	0.4121000	\$ 185.00	\$ 3,070.85
		Tamworth	2010	535,770	0.2997510	\$ 150.00	\$ 1,755.98	700,279	0.2997510	\$ 150.00	\$ 2,249.09
		Moree	2011	1,610,251	0.3624400	\$ 750.00	\$ 6,586.19	700,279	0.3624400	\$ 750.00	\$ 3,288.09
	Irrigable	Moree	2012	2,990,183	0.4511200	\$ 775.00	\$ 14,264.31	700,279	0.4511200	\$ 775.00	\$ 3,934.10
		Uralla	2011	773,530	0.3977000	\$ 238.00	\$ 3,314.33	700,279	0.3977000	\$ 238.00	\$ 3,023.01
	Dryland	Narrabri	2011	1,820,392	0.5021000	\$ 200.00	\$ 9,340.19	700,279	0.5021000	\$ 200.00	\$ 3,716.10
	Irrigable	Narrabri	2011	1,820,392	0.5021000	\$ 400.00	\$ 9,540.19	700,279	0.5021000	\$ 400.00	\$ 3,916.10
		Tenterfield	2010	499,570	0.2097070	\$ 330.00	\$ 1,377.63	700,279	0.2097070	\$ 330.00	\$ 1,798.53
		Armidale	2010	690,950	0.3622000	\$ 474.00	\$ 2,976.62	700,279	0.3622000	\$ 474.00	\$ 3,010.41
		Guyra	2010	921,387	0.1953000	\$ 449.90	\$ 2,249.37	700,279	0.1953000	\$ 449.90	\$ 1,817.55
	Intensive	Guyra	2010	400,000	0.2149300	\$ 2,149.10	\$ 3,008.82	700,279	0.2149300	\$ 2,149.10	\$ 3,654.21
		Walcha	2010	1,149,177	0.2987250	\$ 390.85	\$ 3,823.73	700,279	0.2987250	\$ 390.85	\$ 2,482.76
		Kyogle	2009	399,072	0.2866830	\$ 184.00	\$ 1,328.07	700,279	0.2866830	\$ 184.00	\$ 2,191.58
		Glen Innes	2010	700,279	0.2466000	\$ 331.00	\$ 2,057.89	700,279	0.2466000	\$ 331.00	\$ 2,057.89
					Average excluding Glen Innes						\$ 2,920.48
					Average including Glen Innes						\$ 2,862.97
					Average excluding Irrigation and Intensive						\$ 2,671.12
					Average excluding Irrigation, Intensive, Moree, Tamworth, Narrabri and Glen Innes						\$ 2,516.13

After the Community Consultation sessions a common concern raised was whether the increase to farmland was justified on an ad-valorem (or cents in the dollar) basis. Based on the comparison it is clear that there is still a discrepancy between Glen Innes Severn farmland rating and the regional average. This comparison suggests that even when excluding further Councils such as Narrabri, Tamworth, Moree and Irrigation and Intensive farming Glen Innes Severn rates were still much lower on this basis.

It should be noted that Tenterfield is applying for a Special Rates Variation of 45% which will impact this comparison. Gwydir and Guyra are also applying.