



*City of Canterbury*  
*City of Cultural Diversity*

# Integrated Planning 2013-14 Rates and Services Review

## **Outcomes from Community Working Group**

Councillor Briefing 13 November 2013



## **Rates and Services Review – Why?**

Increases in population over the past five years, and expected in the future, and more up-to-date forecasts of the cost of improving our infrastructure mean we will not have enough income in future years to continue to deliver the same range and level of services.

In 2014-15 our forecast annual deficit is  
**\$12.5 million**



# **Rates and Services Review – Objectives**

- Determine:
  - Appropriate levels of service for services and infrastructure
  - Whether some services should be discontinued
  - Size and timing of rate increases
- Gain broad community support



# Rates and Services Review - Activities

- Project Steering Group
  - Is advising how best to engage our diverse community
- Community Working Group
  - Randomly selected group of people representative of our community with which we have had a series of conversations about services and infrastructure, and costs and revenues
- Broader engagement
  - Range of activities to make these conversations as public as possible and to collect feedback - [haveyoursaycanterbury.com.au](http://haveyoursaycanterbury.com.au)
- Council and organisational support



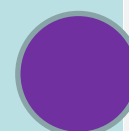
# Timetable

2013

2014

May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar

Project Steering Group meetings



Deliberative Working Group meetings



Broader Engagement



Discuss process  
with IPART

Advise IPART of  
intention to apply

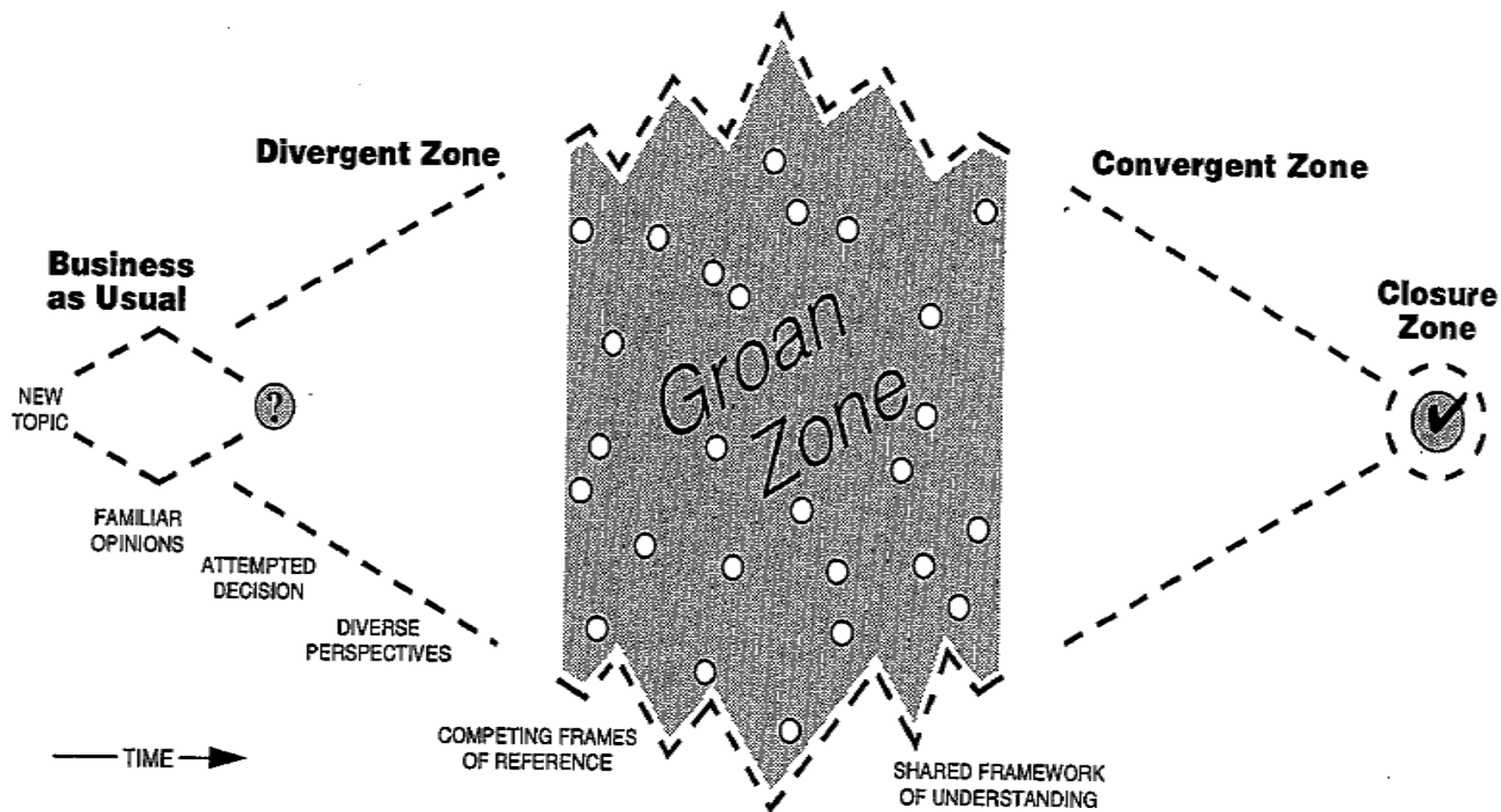


Submit  
Application





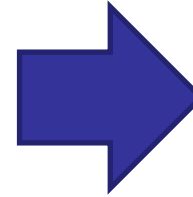
# Community Working Group





# Community Working Group – 1 Aug

- Meeting 1 - Introductions



Questions and  
Answers

## Reasons people volunteered

Be involved Contribute Connect

Interested Get better outcomes Curious

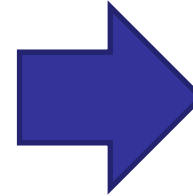
Make a difference Know how it works

Improve things Bring creative ideas

Community Participate

# Community Working Group – 20 Aug

- Meeting 2 - Tell Your Story



Shared  
definition of  
the challenge

## Common values emerging from people's stories

- |  |   |
|--|---|
| <ul style="list-style-type: none"><li>• Quality of life</li><li>• Community spirit<ul style="list-style-type: none"><li>• Health</li><li>• Safety</li></ul></li><li>• Village atmosphere</li><li>• Economic prosperity</li></ul> | <ul style="list-style-type: none"><li>• Civic pride</li><li>• Diversity</li><li>• Wellbeing of others</li><li>• Small business character<ul style="list-style-type: none"><li>• Green space</li><li>• Environment</li></ul></li></ul> |
|--|---|





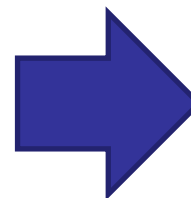
## **Shared definition of the challenge**

How can council maintain the services needed to improve the high quality of life in Canterbury, keep costs down and find alternative sources of income so that rates can be kept as low as possible, and clearly demonstrate the need for any increase in rates?



# Community Working Group – 11 Sep

## • Meeting 3 – Brainstorm



Ideas to solve the challenge

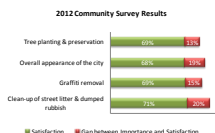
### Service Profiles

#### Street Cleaning and Maintenance

Includes street cleaning, streetscape maintenance and improvement, street tree management, dumped rubbish removal, graffiti removal, council and litter bin waste collection and the pre-booked clean-up service.

##### Service Outputs

- Removed 540 abandoned vehicles
- Streetscape improvement projects including 205 metal work fabrication jobs
- Collected 720 tonnes of council and litter bin waste
- Removed 2,181 tonnes of dumped rubbish in 43,713 pickups
- Removed 673 instances of graffiti
- Provided 16,952 pre-booked clean up services
- Cleaned 370 km of residential streets weekly
- Cleaned 3,900 items of street furniture
- Completed 650 street tree inspections, 3,525 maintenance jobs, 1,638 customer requests
- Mowed 15,000 nature strips to maintain streets
- Assessed 666 tree preservation order applications
- Completed 300 weed control treatments

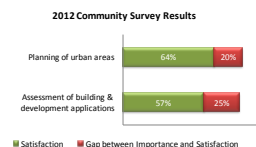
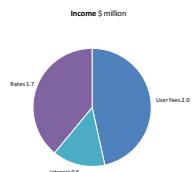


#### Urban Planning and Development Control

Includes planning of urban areas, development assessment, building certification, and investigation of unauthorised building works.

##### Service Outputs

- Prepared Local Environmental Plan, Consolidated Development Control Plan, Development Contributions Plan
- Undertook Precinct Master planning
- Determined 744 development applications
- Produced 2,750 standard, 131 priority Section 149 Certificates
- Conducted 27 places of shared accommodation inspections
- Issued 49 sale of property building certificates, 95 illegal works building certificates, and 134 occupation certificates

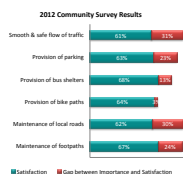
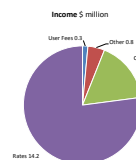


#### Roads and Footpaths

Includes roads, footpaths, car parks and cycleways maintenance and improvements, road safety activities, parking traffic investigations design and improvements, and asset management and plant fleet management.

##### Service Outputs

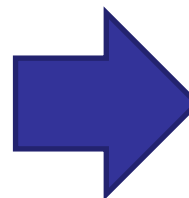
- Completed 870 routine civil infrastructure maintenance projects
- Completed 90 civil infrastructure construction projects
- Coordinated 47 road safety action programs
- Completed 345 traffic investigations and 14 designed
- Installed 221 street signs as part of the replacement program, installed 86 additional street safety or information signs
- Completed 824 other asset investigations
- Completed annual road network asset survey
- Produced 34 designs, prepared 93 design briefs and project managed 6 major projects
- Completed annual review of Infrastructure Renewal Plan
- 23 plant purchases or replacements





# Community Working Group – 9 Oct

## • Meeting 4 –Priorities



Criteria for a good solution

### Imagine Canterbury's Future

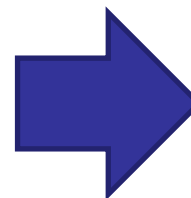
energetic	Fresh, clean and tidy	comfortable life, liveable City	good economy preserving local businesses
peaceful, beautiful and clean Cooks River	active, healthy and involved people	quality services	village atmosphere
safe	investment in young people because children are the future	alternative transport to cars eg. bicycles	
nature, space, and blue water	quality development	safe, healthy activities for children	relax sense happy
no visual pollution such as aerial power cables	sense of shared responsibility for the future	recognition that there will be more people here and need to be accommodated and density will increase	multi ar

### Services needed for Canterbury's Future

Service Area	Most needed	Least needed
Street Cleaning and Maintenance	●●●●●	
Urban Planning and Development Control	●●●●	
Roads and Footpaths	●●●●	
Environmental Protection	●●●●	
Parks and Sporting Facilities	●●●●	
Children's Services	●●●●	●●
Waste and Recycling Collection	●●	
Community Health and Safety	●	
Libraries	●●●	●●
Economic and Town Centres Development	●●	●●
Council operations		●●●
Aquatic Centres	●	●●●●●
Civic Leadership and Governance	●	●●●●●
Community Information and Engagement		●●●●
Community Centres and Programs		●●●●●
Cultural Events and Programs		●●●●●●●

# Community Working Group – 23 Oct

- Meeting 5 – Options I

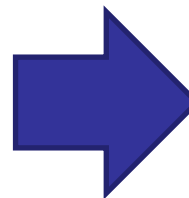


No  
preferred  
option  
yet

Value (million)	Option Name			
Component:	No name	Lamington Plan	Combined Strategy	Scrap Libraries and Parks
Fee increases	\$0.5	\$0.37	\$0.05	\$0.1
Service reductions	\$6.5	\$0.5	\$0.1	\$5.35
Efficiencies	\$1	\$1	\$0.95	\$0.87
Borrowing	\$1	\$1	\$1	\$1
Rate increase	\$3.75	\$7.5	\$10.5	\$5
(per year for 3 years)	2.1%	4.1%	5.8%	2.8%
<b>TOTAL VALUE</b>	<b>\$12.75</b>	<b>\$10.37</b>	<b>\$12.5</b>	<b>\$12.32</b>
<b>EVALUATION SCORE</b>	<b>13</b>	<b>14</b>	<b>12</b>	<b>13</b>

# Community Working Group – 7 Nov

- Meeting 6 – Options II



A  
preferred  
option

Most important criteria	Weighting
Maintains those services that most contribute to achieving the desired future	3
Includes achieving efficiencies in council operations as well as rate increases	3
Is able to demonstrate value for money	3
Limits rate increases to just that required to meet the need	3
Is equitable, ensuring that no specific group is disadvantaged	2
Does not require council to spend more	1



# Finding a preferred option

## Common features that could be supported

- Maintain as many services as possible, especially libraries and pools, and considering the projected future population increases
- Combine a bit of everything, fee increases, service reductions, borrowing
- As little infrastructure deterioration as possible
- Pick up as much efficiency as possible
- Middle of the road rate increase
- Borrowing is acceptable because the current generation does not think it is reasonable that they should have to pay the consequences of poor decisions of the past, but that that these should also be shared with future generations



## The preferred option - summary

Component	Value (million)
Fee increases	\$0.2
Efficiencies	\$1.0
Borrowing	\$1.0
Rate increase	\$8.3
Service reductions	\$0.5
Infrastructure deterioration	\$1.5
<b>TOTAL</b>	<b>\$12.5</b>



# The preferred option – user fees

Initiative	Difficulty	Timeframe	Extra income
Use the garage for commercial operations to earn income.	Easy	1-2 years	\$20,000
Lease areas of the aquatic centres for income generating activities.	Moderate	1-2 years	\$50,000
Build stronger partnerships with community groups to reduce subsidies for use of community facilities.	Hard	1-2 years	\$100,000
Seek greater involvement of sporting clubs in contributing to the cost of operations and maintenance of sporting fields.	Hard	1-2 years	\$15,000
Lease space in parks to cafes and food businesses to generate income.	Hard	1-2 years	\$10,000
Increase charges for hall hire.	Hard	1-2 years	\$5,000
<b>Total</b>			<b>\$200,000</b>





# The preferred option – service reductions

Initiative	Difficulty	Timeframe	Savings
Close pools during quieter periods such as winter, staggering the closures, and closing outdoor pools leaving the indoor pools open.	Moderate	1-2 years	\$100,000
Reduce the frequency of street cleaning and focus on the most important areas.	Moderate	1-2 years	\$150,000
Have just one large festival per year rather than two	Hard	1-2 years	\$100,000
Reduce free sideline mowing	Hard	3-5 years	\$150,000
<b>Total</b>			<b>\$500,000</b>



# The preferred option – efficiencies

Initiative	Difficulty	Timeframe	Savings
Review insurance excess for Public Liability	Easy	1-2 years	\$100,000
Outsource the management of the aquatic centres.	Moderate	1-2 years	\$400,000
Discontinue more expensive payment channels, encourage more direct debit payments and charge for credit card payments.	Moderate	1-2 years	\$10,000
Pay staff fortnightly, use electronic payslips.	Moderate	1-2 years	\$20,000
In partnership with community groups provide more legal walls for graffiti to reduce cost of removal in other areas.	Moderate	1-2 years	\$20,000
Implement dumped rubbish minimisation strategy	Moderate	1-2 years	\$150,000
Implement changes to structure of regulatory services	Moderate	3-5 years	\$150,000
Provide Women's Rest Centres services through partnership with community organisations.	Moderate	3-5 years	\$100,000
Issue rates notices by email to reduce postage costs.	Hard	3-5 years	\$20,000
Obtain savings from Information Technology through outsourcing or similar.	Hard	3-5 years	\$30,000
<b>Total</b>			<b>\$1 million</b>



## The preferred option - borrowing

- Borrow \$36.5 million for infrastructure backlog
  - Rather than \$3.65 million per year for 10 years
- Repay over 30 years.
  - This spreads the burden of backlog over a longer period, and reduces the impact on current ratepayers.
- Repayments are \$2.65 million per year
  - Net benefit per year in the first ten years is \$1 million.
- Over the thirty year period:
  - Total interest paid is \$43 million, extra \$1.43 million per year
  - Debt service ratio would increase from 1.6% to 4.3%.

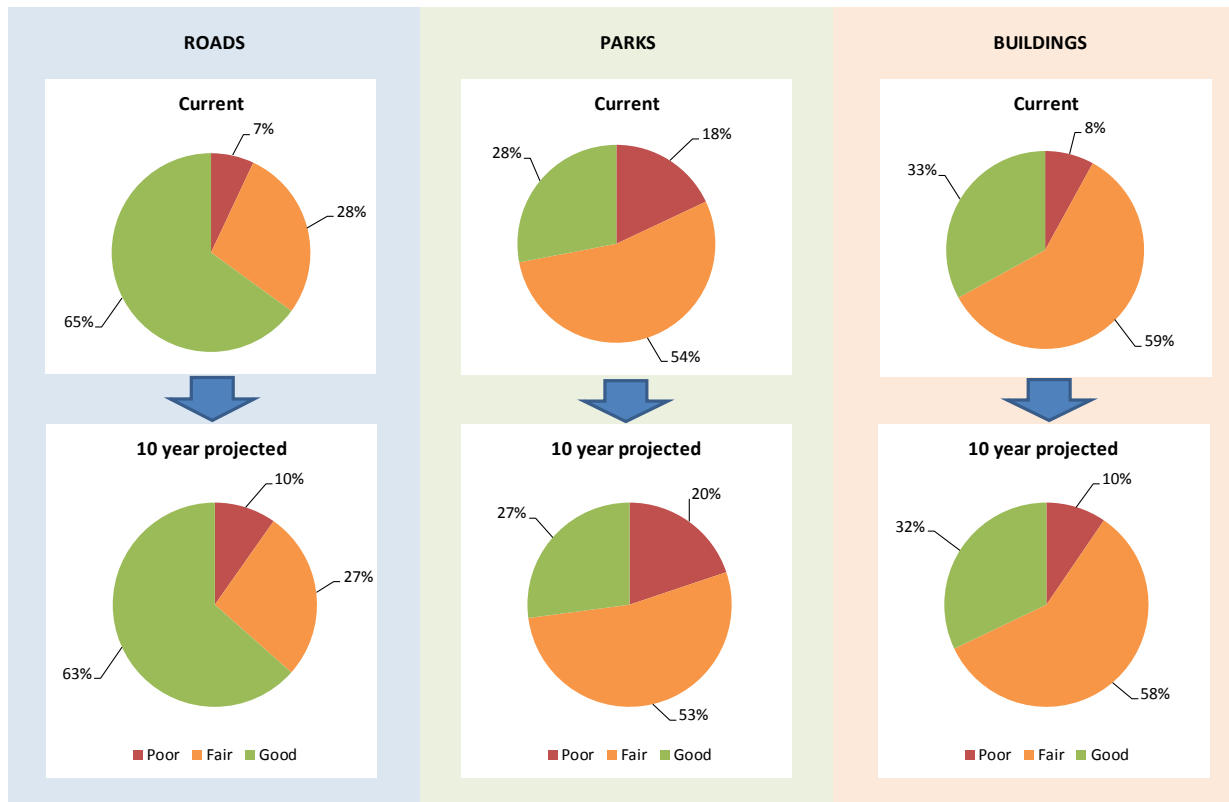


## The preferred option – rate increase

- 4.6% increase each year for three years above the rate cap
- Average rate in 2016 (after three years) **\$1,287** including rate cap increase
- Average increase above rate cap by 2016 **\$157**
- Will raise an extra **\$8.3** million per year by 2016

# The preferred option - infrastructure

- Accept some deterioration of infrastructure reducing expenses by **\$1.5 million** per year





**Questions?**



# Next steps

## November 2013

- Adopt Integrated Plans with proposed rate increase and other measures for exhibition

## December 2013

- Advise IPART of intention to apply for SRV

## December 2013 – January 2014

- Exhibit proposed rate increase

## February 2014

- Adopt Integrated Plans with any amendments from exhibition
- Submit application to IPART for SRV



# Integrated Plans

- 10 year Community Strategic Plan
- 4 year Council Delivery Program
- 1 year Operational Plan and Budget
- Resource Strategy
  - Asset Management Strategy and Asset Plans
  - Workforce Management Plan (4 years)
  - Long Term Financial Plan (10 years)