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## **Minutes Summary 5 May 2015**

**Extraordinary Meeting held at 7.00pm on Tuesday, 5 May 2015.**

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**APOLOGIES**

**DECLARATIONS OF INTEREST**

**Pecuniary Interests**

**Non Pecuniary – Significant Interests**

**Non Pecuniary – Less than Significant Interests**

**Other Disclosures**

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1.	<b>BUSINESS: REPORT OF THE DIRECTOR BUSINESS SERVICES</b>	<b>3</b>
1.1	<b>Draft 2015-2016 Operational Plan, Budget, Fees and Charges, and 2013-2017 Delivery Program</b>	<b>3</b>

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**Minutes of the Extraordinary Meeting of the Campbelltown City Council held on 5 May 2015**

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**Present** Councillor F Borg  
Councillor G Brticevic  
Councillor W Glynn  
Councillor G Greiss  
Councillor P Hawker  
Councillor R Kolkman  
Councillor D Lound  
Councillor C Mead  
Councillor M Oates  
Councillor T Rowell  
Councillor R Thompson

**Apologies** It was **Moved** Councillor Greiss, **Seconded** Councillor Glynn that the **APOLOGIES** from Councillors Lake, Dobson, Chanthivong and Matheson be received and accepted.

**70** The Motion on being Put was **CARRIED**.

**Chairperson**

In the absence of the Chairperson, His Worship the Mayor, Councillor Lake, Deputy Mayor, Councillor Rowell chaired the meeting.

**Acknowledgement of Land**

An Acknowledgement of Land was presented by the Chairperson Councillor Rowell.

**Council Prayer**

The Council Prayer was presented by the Acting General Manager.

**DECLARATIONS OF INTEREST**

There were no Declarations of Interest at this meeting.

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## **EXTRAORDINARY MEETING OF THE CAMPBELLTOWN CITY COUNCIL TO BE HELD ON TUESDAY 5 MAY 2015**

### **1. BUSINESS: REPORT OF THE DIRECTOR BUSINESS SERVICES**

#### **1.1 Draft 2015-2016 Operational Plan, Budget, Fees and Charges, and 2013-2017 Delivery Program**

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#### **Attachments**

1. 2015-2016 Draft Operational Plan (hard copy previously distributed under separate cover and available via the web link below)
2. 2015-2016 Draft Fees and Charges (hard copy previously distributed under separate cover and available via the web link below)
3. 2013-2017 Draft Delivery Program (hard copy previously distributed under separate cover and available via the web link below)

**Note:** All of the above attachments are available via this web link:

<http://www.campbelltown.nsw.gov.au/IntegratedPlanningandReportingPublicExhibition>

#### **History**

The Integrated Planning and Reporting Framework for NSW require local government to prepare a long term Community Strategic Plan, Delivery Program, Operational Plan and Resourcing Strategy.

Council is required to review Integrated Planning and Reporting documents before 30 June following an ordinary election of Councillors. This requirement is in accordance with the *Local Government Act 1993*.

The Independent Pricing and Regulatory Tribunal (IPART) rate peg determination of 2.4% has been applied in the Draft 2015-2016 Operational Plan.

The 2015-2016 Draft Operational Plan including 2015-2016 Draft Fees and Charges were distributed to Councillors on 31 March 2015 in conjunction with a briefing night held on 7 April 2015.

#### **Report**

In accordance with Section 404 and 405 of the *Local Government Act 1993*, Council's Draft Operational Plan incorporating the Budget and Draft Fees and Charges, and the Draft Delivery Program are required to be publicly exhibited for a period of at least 28 days. A summary of the content included in each of the documents is provided in this report.

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## Operational Plan

Supporting the Delivery Program is the annual Operational Plan. This document features the individual services, functions, programs and activities that will be undertaken in the 2015-2016 year to achieve the commitments made in the Delivery Program.

Council's financial framework focuses on continuing to ensure that the financial parameters, principles and objectives applied in developing the Budget achieve a balance between financial stability, asset maintenance, construction and the provision of services to the community. The Special Rate Variation (SRV) received in the 2014-2015 financial year has strengthened Council's financial position and provides a means to renew and revitalise the City's assets and ultimately address Council's asset maintenance and renewal backlog.

The current economic and financial environment presents challenges for Council, all levels of government, businesses and the community as a whole. There are a number of major policy issues being considered by the State Government at present that may have an impact on Council over the next 12 months. This includes the Action Plan originating from Destination 2036 involving the review of the *Local Government Act 1993*, Fit for the Future and the recommendations of the Independent Local Government Review Panel.

For the 2015-2016 budget, Council has applied the rate peg limit of 2.4% as set by the Independent Pricing and Regulatory Tribunal (IPART). Invariably, rate pegging increases are less than the actual increases in costs faced by Council. The continual escalation of non-discretionary costs that have a direct impact on Council services, include the increases in public utilities, domestic waste landfill levy, and agency charges, coupled with downward pressure on revenue streams. Council will continue to maintain its current level of investment in core public and community services and provide a value for money operation, as well as addressing the declining condition of existing infrastructure assets and reducing the infrastructure backlog. A review of services will continue to be undertaken to ensure sustainability and cost effective outcomes in delivering services to the community are achieved.

As reported in previous years, the financial objective has been to budget a surplus to improve Council's liquidity ratio. The liquidity ratio has improved significantly over the last few years and has reached a satisfactory level. As such, a balanced budget is proposed for the 2015-2016 financial year.

The proposed Capital Expenditure Program for the 2015-2016 year amounts to \$22.81m. This year's program contains a number of major projects including bridge/culvert construction, cycleway construction, sport and recreation projects, as well as roads and footpath construction/reconstruction.

In this budget, there has been continued emphasis placed on the funding of asset maintenance and renewal in an attempt to upgrade Council's infrastructure. The additional revenue provided by the previous SRV and the Local Infrastructure Renewal Scheme (LIRS) will address the shortfall in the funding required to maintain all Council assets at a 'good' level in accordance with the Office of Local Government's Asset Condition Benchmarking Standard. This budget focuses on improving safety, quality and range of infrastructure, community facilities and open space and is demonstrated in the Capital Works and Asset Maintenance Programs.

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Council is now at a critical point in addressing a range of important strategic planning opportunities that will present themselves as a result of the City's enhanced growth and development prospects, as well as, the recent announcement of Campbelltown-MacArthur as a Regional City Centre. Council's new Economic Development function will provide a more formal involvement with economic and business development to help sustain the creation of new investment into local job creation and helping to make Campbelltown a more sustainable community. Council will invest in promotion and marketing opportunities for Campbelltown as a contemporary and vibrant hub for investment and urban growth at a regional scale.

### **Domestic Waste Management**

Domestic Waste Management Service Charge is subject to many factors, and is mostly impacted by collection and disposal costs. The processing and disposal charges of domestic waste are also affected by the State Government Waste Levy which is estimated to increase by 13.0% on 1 July 2015. This results in Council not being able to deliver the service for any less than the proposed annual Domestic Waste Management Service Charge of \$326.50, as there can be no cross-subsidisation between the Domestic Waste Management Service and the General Fund. The proposed Domestic Waste Management Availability Charge for vacant land will decrease by \$2.10 per annum to \$31.60.

### **Rating Structure**

The increase allowed under the rate pegging limit as determined by IPART under delegation by the Minister for Local Government was 2.4%. In December 2014, IPART announced the percentage variation using the Local Government Cost Index to be 2.47%, from which a 0.04% productivity factor was deducted. This resulted in a rate peg of 2.43% which was rounded down to 2.4%.

### **Stormwater Management Charge**

The Stormwater Management Charge assists Council to undertake works that will provide improved quality of stormwater being discharged into waterways. The charge is proposed to remain the same as the previous year, which yielded Council approximately \$1.14m towards new stormwater initiatives. The proposed charge and associated works are clearly defined within Council's Revenue Pricing Policy, appendix one of the Operational Plan. It is proposed that the Stormwater Management Charge remain at \$20 per annum for residential properties and \$10 per annum for residential strata properties.

### **Delivery Program**

The 2013-2017 Draft Delivery Program details the services, functions and programs of works including activities that Council will undertake within the resources available under the Resourcing Strategy, to implement the objectives and strategies established by the Community Strategic Plan. The Delivery Program also includes a method of assessment to determine the effectiveness of each program of work in implementing the strategies and achieving the strategic objectives at which the principal activity is directed.

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## 1.1 Draft 2015-2016 Operational Plan, Budget, Fees And Charges, And 2013-2017 Delivery Program

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### Summary

The 2015-2016 Operational Plan shows the commitment to responsible and proactive governance. It demonstrates sound management of the community's assets and aims to develop a sustainable city which is responsive to community needs, while providing value to ratepayers.

The 2013-2017 Delivery Program and 2015-2016 Operational Plan provides for the continued delivery and maintenance of services. This budget is the second year of a 10 year strategy to significantly address the asset maintenance and renewal backlog with \$5.6m rates and the additional \$1m reserve funds redirected towards assets.

Council is also delivering a number of major projects through the allocation of Capital Expenditure and Asset Maintenance funding as detailed earlier in this report and highlighted within the Draft Operational Plan.

In particular, over the past several years, Council has made significant gains in improving the financial position and working towards achieving long term financial and community objectives detailed within the Community Strategic Plan. Prudent fiscal management decisions have resulted in Council being well placed to deal with the financial challenges in the short to medium term.

It is recommended that Council adopt the 2015-2016 Draft Operational Plan including the 2015-2016 Draft Fees and Charges, and the 2013-2017 Draft Delivery Program. These documents be placed on public exhibition for a period of at least 28 days in accordance with Sections 404 and 405 of the *Local Government Act 1993*. During this period, public submissions are invited and will be considered when Council considers formal adoption of the documents at the Extraordinary Meeting to be held on 23 June 2015.

### Officer's Recommendation

1. That the 2015-2016 Draft Operational Plan incorporating the 2015-2016 Draft Fees and Charges and Revenue Pricing Policy, 2013-2017 Draft Delivery Program be placed on public exhibition for a period no less than 28 days.
  2. That a report be submitted to Council on any submissions received in regard to the Draft documents prior to consideration of the formal adoption of the documents for the 2015-2016 financial year.
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**Council Meeting 5 May 2015 (Borg/Oates)**

That the Officer's Recommendation be adopted.

**Council Resolution Minute Number 71**

That the Officer's Recommendation be adopted.

Councillor Mead asked for his name to be recorded in opposition to the resolution for Item 1.1 – Draft 2015-2016 Operational Plan, Budget, Fees and Charges, and 2013-2017 Delivery Program.

There being no further business the meeting closed at 7.03pm.

Confirmed by Council on

..... General Manager ..... Chairperson

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