Hawkesbury City Council

special meeting business paper

date of meeting: 6 May 2002

location: Council Chambers

time: 7.00pm

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section

reports

for determination

ITEM: 40 **Proposed Environmental Levy - Stormwater**

FILE NUMBER: GD001/004 Pt4/ENG/ORE06SBX.E02

REPORT:

At the Strategic Planning meeting held on 23 and 24 February 2002 there was general agreement to progress a special rate to undertake improvements to the quality of stormwater. The Special Levy proposes to raise $1,000,000 (one million) per year for a ten year period to implement Stormwater Improvement Programs. The Program includes non structural (educational and changed practices), structural (end of line treatment) and ongoing maintenance components as identified in the South Creek and Middle Nepean Hawkesbury Stormwater Management Plans.

A public meeting was advertised and invitations forwarded to interested parties and this meeting was held at the Windsor Function Centre on Monday, 29 April 2002. Besides Councillors, staff and presenters there were 16 (sixteen) people in attendance at the meeting. There were people who felt they would not get any direct benefit from the payment of additional rates and there were some people who acknowledged that improvements to stormwater were needed particularly in relation to education.

There was general discussion regarding the imposition of a rate and the benefits which could be achieved through such a proposal. Ten of the fifteen participants agreed with the proposal to have an environmental levy, however, the issue of equity was raised as a concern. In particular the method of levying the special rate as an ad valorem rate (based on land values) was not preferred due to the impact on large land holders in the city.

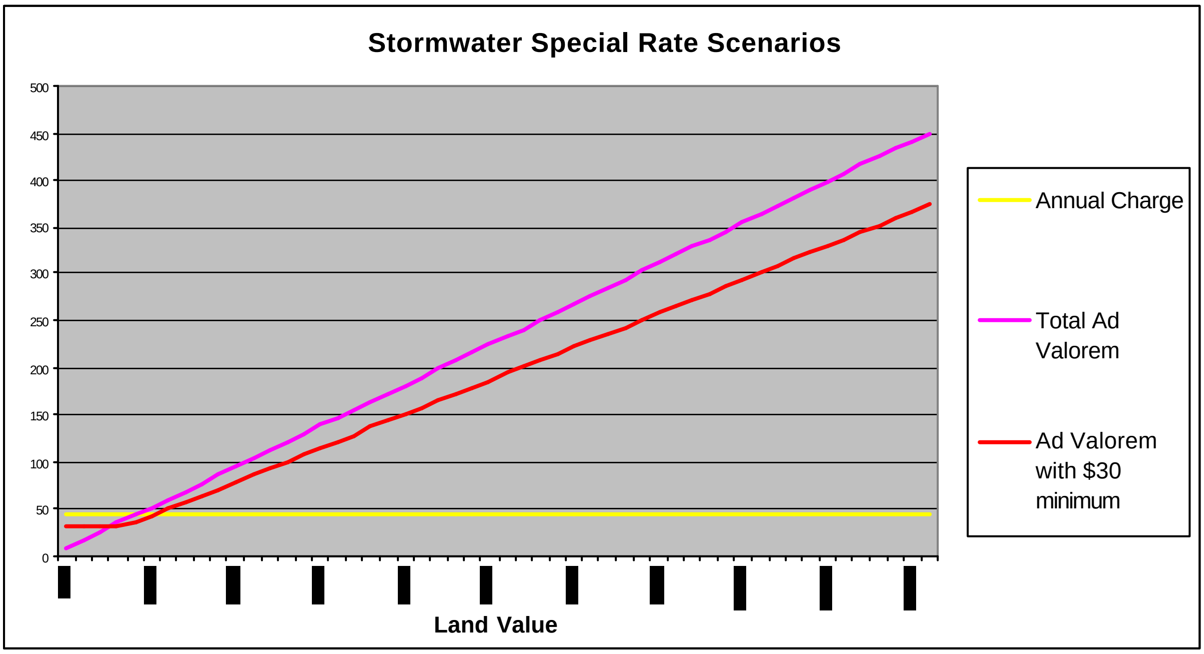
Support was also espoused for education strategies to provide stormwater improvement with suggestions for a credit system to be offered to those landholders utilising best practise methods of stormwater management.

Like an ordinary rate, a special rate is based on the land value of rateable properties and may consist of an ad valorem rate (which may be subject to a minimum rate) or a base amount to which an ad valorem rate is added.

In addition to ordinary rates and special rates, Council may levy an annual charge for drainage services.

A charge may be made in addition to an ordinary rate, and more importantly, in addition to or instead of a special rate.

The table and Graph below indicate options available for the proposed levy and provide the indicative rate or charge for selected land values.



	Annual Charge	Total Ad Valorem	Ad Valorem with $30 minimum
25,000	$44	$9	$30
50,000	$44	$17	$30
100,000	$44	$35	$30
250,000	$44	$87	$72
500,000	$44	$173	$143
1,000,000	$44	$346	$287

A special rate can be levied on any rateable land which, in Council's opinion:

- benefits, or benefit from the project in question;
- contributes to the need of the project; or
- has access to the project

Guidelines published by the Department of Local Government state:

- where Council proposes to participate in a project which has regional significance demonstrated through project participation by several councils and/or state/commonwealth contributing funds towards the project or an outcome with a demonstrable economic benefit;

- where Council is seeking to fund a major enhancement to community services or facilities. This would include the need to address infrastructure maintenance or replacement, public health or environmental benefit or protection.

- where Council is required to meet substantial increases in government contributions or charges (this would need to be over and above the increases experienced by other Councils)

Considering the concerns raised during the Public meeting in regard to equity and the impact on large land holders in the city, it is recommended to proceed with an Annual Change under S.501 of the Local Government Act. In addition, an application to the Minister will be necessary for a Special Variation to the Council's total revenue yield under rate pegging guidelines.

RECOMMENDATION:

That it is recommended to proceed with an Annual Change under S.501 of the Local Government Act in the amount of $44.00 (forty four dollars) per assessment.

ATTACHMENTS:

There are no supporting documents for this report.

oooO END OF ITEM 40 Oooo

ITEM: 41 **Management Plan 2002/2003**

FILE NUMBER: GM001/002 PT06/FNC/ORE06SBX.F01

REPORT:

The 2002/2003 Draft Management Plan which includes the Annual Estimates, is submitted for Council's consideration to enable the advertising in accordance with the Local Government Act, 1993. The Management Plan is to be advertised for 28 (twenty eight) days following which any submissions received being reported to Council for the adoption of the plan and the making of the 2002/2003 rates and charges.

Council's draft estimates have been prepared on a fully consolidated basis. The draft document presented to Council is a balanced budget. Changes in budgetary allocations are summarised below.

Program	Amount	Comment
Heritage Studies	$20,000	Program detailed below
RID Squad	$35,000	Resolved by Council to continue contribution to program
Cycleways	$50,000	Program increase at Strategic Planning Weekend
Playground Equipment	$200,000	Program increase at Strategic Planning Weekend
Bush Care Office and Equipment	$100,000	Initiate new program including salary, vehicle, equipment and program expenses
Development Control Economic Study	$30,000	Resolved by Council
Richmond Conservation Plan	$20,000	Recommended
Art Gallery Curatorial Services	$30,000	Recommended
Museum Curator	$30,000	50/50 Grant Recommended
Induction Kit/Welcome Kit	$10,000	Recommended
SES Purchase Plant	$65,000	Recommended
Additional ALGA subscriptions	$7,500	Advice received additional funds required
Economic Development Contributions	$50,000	Additional funds requested, details of submissions presented to Council at informal Council meeting on 29 April 2002
Doubtful Debts provision increased to	$28,000	Increase required due to known doubtful debts such as Hawkesbury Heritage Farm
Increased Insurance premiums	$53,000	Advice received from Westpool

The 2002/2003 Estimates Executive Summary has been prepared and is provided as an attachment to this report. The Executive Summary provides a more detailed discussion of the changes made for the forthcoming year.

Included in the 2002/2003 Draft Management Plan is the determination again of Category 1 Businesses under the Guidelines of National Competition Policy and the recognition of a potential Category 2 business.

Also included in the 2002/2003 Draft Management Plan's Revenue Pricing Policy are all Council's Fees and Charges which will again include a component for the Goods and Services Tax (GST). All Council's Fees and Charges have been broken up to show their GST status ie GST applicable or exempt.

Council's Draft Revenue Pricing Policy has been prepared using the best available information in relation to the GST. However, there are still a number of fees and charges for which the GST status may change. Accordingly, if a fee that is shown as being subject to GST is subsequently proven not to be subject to GST, then that fee will be amended by reducing the GST to nil. Conversely, if Council is advised that a fee which is shown as being not subject to GST becomes subject to GST, then the fee will be increased but only to the extent of the GST.

RECOMMENDATION:

That the 2002/2003 Draft Management Plan and Estimates be advertised.

ATTACHMENTS:

AT-1 2002/2003 Estimates Executive Summary - distributed separately.

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end of paper