Hawkesbury City Council

# special meeting business paper

date of meeting: 28 June 2004
location: council chambers
time: 7.00 p.m.

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**SECTION 4 - Reports for Determination**

**Item: 73 ORG A - Making and Levying of Rates and Fixing or Charges for the Period 1 July 2004 to 30 June 2005 - (107)**

**REPORT:**

Rates and Charges for the period 1 July 2004 to 30 June 2005 were published in Council's Draft Revenue Pricing Policy as part of the Draft Management Plan that has recently been on public exhibition.

Public submissions were invited in accordance with sections 405 of the Local Government Act, 1993. After consideration of the submissions received, the following rates and charges are now submitted for adoption.

**A. Residential, Farmland and Business Rates**

It is hereby recommended that Ordinary Rates be made for the sub-categories of the Residential, Farmland and Business rating categories as shown in the following schedule.

**Residential Category**

| Code | Sub-Category Description | Ad Valorem | Minimum |
|---|---|---|---|
| Agn | Residential - Agnes Banks | 0.4725 cents | $354.00 |
| Bilpin | Residential - Bilpin, Berambing, Mt Tootie, Mountain Lagoon | 0.4725 cents | $354.00 |
| Bligh Pk | Residential - Bligh Park | 0.4725 cents | $354.00 |
| Bowen Mt | Residential - Bowen Mountain | 0.4725 cents | $354.00 |
| Cattai | Residential - Cattai | 0.4725 cents | $354.00 |
| Claren | Residential - Clarendon | 0.4725 cents | $354.00 |
| Colo | Residential - Colo, Colo Heights, Central Colo, Upper Colo | 0.4725 cents | $354.00 |
| Eben Sac | Residential - Ebenezer, Sackville, Sackville Reach, Lower Portland | 0.4725 cents | $354.00 |
| East Kurr | Residential - East Kurrajong, Blaxlands Ridge | 0.4725 cents | $354.00 |
| F. Reach | Residential - Freemans Reach | 0.4725 cents | $354.00 |
| Gloss | Residential - Glossodia | 0.4725 cents | $354.00 |
| Grose | Residential Grose Vale, Grose Wold | 0.4725 cents | $354.00 |
| Kurmond | Residential - Kurmond | 0.4725 cents | $354.00 |
| K.jong | Residential - Kurrajong | 0.4725 cents | $354.00 |
| K.jong Ht | Residential - Kurrajong Heights, Kurrajong Hills | 0.4725 cents | $354.00 |
| McDonald | Residential - MacDonald Valley (Lower, | 0.4725 cents | $354.00 |

| Code | Sub-Category Description | Ad Valorem | Minimum |
|---|---|---|---|
| | Upper, Central) | | |
| Mar Oak | Residential - Maraylya, Oakville, Scheyville | 0.4725 cents | $354.00 |
| WiseSt A | Residential - Wisemans Ferry, Leets Vale, St. Albans | 0.4725 cents | $354.00 |
| McGraths | Residential - Mc Graths Hill | 0.4725 cents | $354.00 |
| Mulgrave | Residential - Mulgrave | 0.4725 cents | $354.00 |
| N. Rich | Residential - North Richmond, Tennyson | 0.4725 cents | $354.00 |
| Pitt Town | Residential - Pitt Town | 0.4725 cents | $354.00 |
| Richmond | Residential - Richmond | 0.4725 cents | $354.00 |
| Sth Wind | Residential - South Windsor | 0.4725 cents | $354.00 |
| Vineyard | Residential - Vineyard | 0.4725 cents | $354.00 |
| Windsor | Residential - Windsor | 0.4725 cents | $354.00 |
| W. Downs | Residential - Windsor Downs | 0.4725 cents | $354.00 |
| W.force | Residential - Wilberforce | 0.4725 cents | $354.00 |
| Yarra | Residential - Yarramundi | 0.4725 cents | $354.00 |
| Res. Vac | Residential - Vacant Land | 0.4725 cents | $354.00 |
| Agn RR | Rural Residential - Agnes Banks | 0.4725 cents | $354.00 |
| RR Bilpin | Rural Residential - Bilpin, Berambing, Mt Tootie, Mountain Lagoon | 0.4725 cents | $354.00 |
| Bligh RR | Rural Residential - Bligh Park | 0.4725 cents | $354.00 |
| Bown RR | Rural Residential - Bowen Mountain | 0.4725 cents | $354.00 |
| Cattai RR | Rural Residential - Cattai | 0.4725 cents | $354.00 |
| Colo RR | Rural Residential - Clarendon | 0.4725 cents | $354.00 |
| Eben RR | Rural Residential - Colo, Colo Heights, Central Colo, Upper Colo | 0.4725 cents | $354.00 |
| E Kurr RR | Rural Residential - East Kurrajong, Blaxlands Ridge | 0.4725 cents | $354.00 |
| Free RR | Rural Residential - Freemans Reach | 0.4725 cents | $354.00 |
| Gloss RR | Rural Residential - Glossodia | 0.4725 cents | $354.00 |
| Grose RR | Rural Residential - Grose Vale, Grose Wold | 0.4725 cents | $354.00 |
| Kurm RR | Rural Residential - Kurmond | 0.4725 cents | $354.00 |
| K.jong RR | Rural Residential - Kurrajong | 0.4725 cents | $354.00 |
| K.J Ht RR | Rural Residential - Kurrajong Heights, Kurrajong Hills | 0.4725 cents | $354.00 |
| Mcdon RR | Rural Residential - MacDonald Valley (Lower, Upper, Central) | 0.4725 cents | $354.00 |
| Oakv RR | Rural Residential - Maraylya, Oakville, Scheyville | 0.4725 cents | $354.00 |
| WiseF RR | Rural Residential - Wisemans Ferry, Leets Vale, St. Albans | 0.4725 cents | $354.00 |
| McGrat RR | Rural Residential - Mc Graths Hill | 0.4725 cents | $354.00 |
| Mulg RR | Rural Residential - Mulgrave | 0.4725 cents | $354.00 |
| N.Rich RR | Rural Residential - North Richmond, Tennyson | 0.4725 cents | $354.00 |
| PTown RR | Rural Residential - Pitt Town | 0.4725 cents | $354.00 |
| Rich RR | Rural Residential - Richmond | 0.4725 cents | $354.00 |

| Code | Sub-Category Description | Ad Valorem | Minimum |
|---|---|---|---|
| SWind RR | Rural Residential - South Windsor | 0.4725 cents | $354.00 |
| VineY RR | Rural Residential - Vineyard | 0.4725 cents | $354.00 |
| Wdsor RR | Rural Residential - Windsor | 0.4725 cents | $354.00 |
| Wdown RR | Rural Residential - Windsor Downs | 0.4725 cents | $354.00 |
| Wforce RR | Rural Residential - Wilberforce | 0.4725 cents | $354.00 |
| Yarra RR | Rural Residential - Yarramundi | 0.4725 cents | $354.00 |
| FloodVac | Rural Residential - Flood Prone Vacant | 0.4725 cents | $354.00 |
| RuralSce | Rural Residential - Scenic Protection Vacant | 0.4725 cents | $354.00 |
| RuralVac | Rural Residential - Vacant | 0.4725 cents | $354.00 |

**Farmland Category**

| Code | Sub-Category Description | Ad Valorem | Minimum |
|---|---|---|---|
| Farmland | Farmland | 0.3780 cents | $354.00 |
| FarmHigh | Farmland - High Density | 0.3780 cents | $354.00 |

**Business Category**

| Code | Sub-Category Description | Ad Valorem | Minimum |
|---|---|---|---|
| Bus.Gen | Business - General | 0.4725 | $354.00 |
| BlighBus | Business - Bligh Park Shops | 0.4725 | $354.00 |
| Hobart | Business - Hobartville Shops | 0.4725 | $354.00 |
| KurmBus | Business - Kurmond Shops | 0.4725 | $354.00 |
| K.JongBu | Business - Kurrajong Village Shops | 0.4725 | $354.00 |
| McGraBus | Business - Mc Graths Hill | 0.4725 | $354.00 |
| Mulg Bus | Business - Mulgrave | 0.4725 | $354.00 |
| N.Rich Bus | Business - North Richmond Commercial, North Richmond Industrial | 0.4725 | $354.00 |
| PtownBu | Business - Pitt Town | 0.4725 | $354.00 |
| RichBus | Business - Richmond Commercial | 0.4725 | $354.00 |
| East Rich | Business - East Richmond Industrial | 0.4725 | $354.00 |
| S WindBu | Business - South Windsor Industrial | 0.4725 | $354.00 |
| S WindSh | Business - South Windsor Shops | 0.4725 | $354.00 |
| WdsorBu | Business - Windsor | 0.4725 | $354.00 |
| WforceBu | Business - Wilberforce Shops | 0.4725 | $354.00 |
| WforceIn | Business - Wilberforce Industrial Area | 0.4725 | $354.00 |
| Vac.Bus | Business - Vacant Land | 0.4725 | $354.00 |

**B. Environmental Stormwater Management Special Rate**

It is hereby recommended that in accordance with the approval given by the Minister for Local Government for a Special Variation to General Income in 2002/2003 that an Environmental Stormwater Management Special Rate be applied to all rateable assessments in 2004/2005 at the rate of $39.20 (thirty nine dollars and twenty cents) per assessment.

## C. Domestic Waste Management Service

It is hereby recommended that for 2004/2005, in accordance with Section 496 of the *Local Government Act, 1993*, that:

- A Domestic Waste Management Service annual charge of $230.92 (two hundred and thirty dollars and ninety two cents) be made for a 240 (two hundred and forty) litre bin, and an annual charge of $143.42 (one hundred and forty three dollars and forty two cents) be made for a 120 (one hundred and twenty) litre bin for each weekly domestic waste service to an occupied property which is categorised as residential or farmland, and for which a weekly domestic waste service is available.

- A Domestic Waste Management Service annual charge of $143.42 (one hundred and forty three dollars and forty two cents) be made for a 240 (two hundred and forty) litre bin, and an annual charge of $99.67 (ninety nine dollars and sixty seven cents) be made for a 120 (one hundred and twenty) litre bin for each fortnightly domestic waste service to an occupied property which is categorised as residential or farmland, and for which a fortnightly domestic waste service is available.

- A Domestic Waste Management Service availability charge of $77.64 (seventy seven dollars and sixty four cents) be made for parcels of land where a weekly domestic waste service is available but the service is not utilised.

- A Domestic Waste Management Service availability charge of $38.82 (thirty eight dollars and eighty two cents) be made for parcels of land where a fortnightly domestic waste service is available but the service is not utilised.

In accordance with section 575 of the *Local Government Act, 1993* where a property is owned and occupied by eligible pensioner(s), a rebate amounting to 50% (fifty percent) of the combined rates and domestic waste service charges up to a maximum of $250.00 (two hundred and fifty dollars) in annual subsidy will be granted for 2004/2005.

## D. Kerbside Bulk Waste Collection

It is hereby recommended that for 2004/2005 in accordance with section 496 of the *Local Government Act, 1993*, that:

- A Domestic Waste Management Service annual charge of $32.80 (thirty two dollars and eighty cents) be made for parcels of land where the kerbside bulk waste collection and disposal service is available.

## E. Waste Management Service

It is hereby recommended that for 2004/2005, in accordance with section 501 of the *Local Government Act, 1993*, that:

- A Waste Management Service annual charge of $230.92 (two hundred and thirty dollars and ninety two cents) be made for a 240 (two hundred and forty) litre bin, and an annual charge of $143.42 (one hundred and forty three dollars and forty two cents) be made for a 120 (one hundred and twenty) litre bin for each weekly waste service to a property which is categorised as business and for which a weekly waste service is utilised.

**F. Sewerage Service**

It is hereby recommended that for 2004/2005, in accordance with section 501 of the *Local Government Act, 1993*, that the following range of annual charges be made for the provision of sewerage services.

| | |
|---|---|
| Connected Residential Properties | $371.40 |
| Unconnected Residential Properties | $245.50 |
| Unconnected Business Properties | $245.50 |
| Business - Category 1 (<1,000 litres per day) | $429.75 |
| Business - Category 2 (1,001 - 5,000 litres per day) | $2,154.00 |
| Business - Category 3 (5,001 - 10,000 litres per day) | $4,308.00 |
| Business - Category 4 (10,001 - 20,000 litres per day) | $8,610.00 |
| Business - Category 5 (>20,000 litres per day) | $8,610.00 |

Additionally, a trade waste volume charge of $1.55 (one dollar and fifty five cents) per kilometre will be charges to category 5 (five) properties for each kilolitre in excess of 20,000 (twenty thousand).

Where a residential property receiving this service is owned by pensioner(s) eligible for an Ordinary Rate pensioner rebate, then a rebate amounting to $185.70 (one hundred and eighty five dollars and seventy cents) will be granted to the owner(s) in annual subsidy for 2004/2005.

**G. Sullage Pump-Out Services**

It is hereby recommended that for 2004/2005, in accordance with section 501 of the *Local Government Act, 1993* that:

- A Sullage Pump-out Service annual charge of $1,246.00 (one thousand, two hundred and forty six dollars) will be made for the provision of a fortnightly sullage pump-out service to residential properties.

- A Sullage Pump-out Service annual charge of $2,492.00 (two thousand, four hundred and ninety two dollars) will be made for the provision of a weekly sullage pump-out service to residential properties.

- Where a property receiving a sullage pump-out service is owned by pensioner(s) eligible for an Ordinary Rate pensioner rebate, and the property is occupied solely by the eligible pensioner(s), then a rebate amounting to $560.00 (five hundred and sixty dollars) will be granted to the owner(s) in annual subsidy for 2004/2005. Rebates are not available to properties occupied by adults who are ineligible for the Ordinary Rate pensioner rebate.

- Additional pump-outs can be requested at a cost of $76.50 (seventy six dollars and fifty cents) per extra service. Emergency after hours pump-outs will be charges at $95.75 (ninety five dollars and seventy five cents) per service.

- In accordance with section 502 of the *Local Government Act*, *1993*, that a charge of $13.75 (thirteen dollars and seventy five cents) will be made for each 1,000 (one thousand) litres of effluent pumped out from commercial and industrial properties for services being conducted at the request of the owner or occupier.

**H. Interest Charges**

In accordance with section 566 of the *Local Government Act*, *1993*, that simple interest charges at 9.00% (nine percent) per annum, accrued on a daily basis be charged on rates and charges that remain unpaid and have become due and payable.

**RECOMMENDATION:**

That the Making and Levying of Rates and Fixing of Charges for the 2004/2005 financial period be adopted in accordance with the Draft Management Plan 2004/2005 as advertised.

**ATTACHMENTS:**

There are no supporting documents for this report.

**oooO END OF REPORT Oooo**

**Item: 74** **ORG B - Adoption of the 2004/2005 Management Plan - (107)**

**Previous Item:** 46, Special (10 May 2004)

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**REPORT:**

Council resolved at the 10 May 2004 Special Meeting,

*"That:*

1. *With the following amendments, the 2004/2005 Draft Management Plan which comprises Council's Strategic Plan, Operational Plan, Budget Estimates and Revenue Pricing Policy be advertised in accordance with Section 405 of the Local Government Act 1993.*

   *(a) Cycleway funding to be a total of $100,000 not $150,000 with the $50,000 savings being allocated to the RFS budget.*

   *(b) Sports Council Capital to be raised to $215,000.*

   *(c) Lower Portland Ferry to continue to operate for a further 12 months.*

   *(d) St Albans Road upgrade to continue at the current rate of $236,000pa.*

   *(e) The allocation to the Commercial Response Unit be reduced from $908,000 to $888,000.*

   *(f) The proposed fee for use of the Tebbutt Room not apply to non-profit groups.*

   *(g) The mall display fees be set at $22 per stall per market.*

   *(h) Increases in canteen hire fees for sports groups be limited to $185 per season and $55 per day.*

   *(i) Richmond Pool entry fees be subject to increases based on approximate CPI movements since the last increases were made.*

2. *Reports on the following be provided to Council prior to final adoption of the budget:*

   *(a) Car Parking provision and/or upgrade for Windsor, Richmond and North Richmond.*

   *(b) The reasons given by the State Government for the new $60,000 levy for Rural Fire Services and any other cost shifting by the State Government that has affected this budget.*

(c) *Future of Ferry Operations in general, especially the Lower Portland Ferry including the planned $70,000 major overhaul of the Lower Portland Ferry.*

(d) *Removing duplication in the economic development area of the new Commercial Response Unit.*

(e) *Windsor Sewer Scheme Cross Subsidisation including an analysis of the differences since 1995, between the Sewerage Charges in `Windsor and the Sydney Water scheme and recommendations as to how we may have some parity pricing.*

(f) *Public Sculpture Proposed for OLD Hospital Site.*

(g) *Outline processes to be put in place for after hours usage of meeting rooms at the new library facility by non-profit groups.*

(h) *Expenditure for Hawkesbury Lookout and plan of management.*

3. *The General Manager to write to the Premier, Treasurer, Opposition Leader and Local State Members about the arbitrary nature of this new $60,000 fire levy and the impact it has on Hawkesbury City Council Budget*

4. *The 3.5% CPI increase for rate pegging be incorporated into budget calculations as appropriate."*

Items 1 and 4 above resulted in amendments to Council's Draft Revenue Pricing Policy and Budget Estimates. These and some amendments to funding or the capital works program resulted in a balanced budget and were incorporated into the Draft Management Plan put on public exhibition from 19 May 2004.

Items 2 and 3 above relate to reports which are provided under separate heading.

**Public Submissions**

Following public exhibition over the period 19 May 2004 to 15 June 2004 inclusive, submissions have been received in relation to the 2004/2005 Draft Management Plan.

Details of the respondents and a summary of issues raised in the submissions and in correspondence received in regard to the Draft Management Plan are provided below.

1. <u>Subject Matter - Cycleway Funding</u>

   Ten (10) submissions in regard to cycleway funding were received from:

   (i) Kathy Riley and Ross Williams - 14 May 2004

   (ii) Jan Sparkes - 14 May 2004

   (iii) Chris Horwood - 16 May 2004

(iv) Mike Steven - 18 May 2004 (UWS)

(v) Sue Matysek - 19 May 2004

(vi) Gary Gill (The Gill Family) - 20 May 2004

(vii) Andrew Docking of Kurrajong - 25 May 2004

(viii) Warren McReynolds - 27 May 2004

(ix) Bicycle Steering Committee

(x) Hugh McKinnon - 28 May 2004 (Member of Bicycle Steering Committee)

Council at its Special Meeting of 10 May 2004 resolved to transfer $50,000 of cycleway funding to meet additional costs being incurred in providing fire services. Council resolved that:

> *"With the following amendments, the 2004/2005 Draft Management Plan … be advertised …*
>
> *(a) Cycleway funding to be a total of $100,000 not $150,000 with the $50,000 savings being allocated to the RFS budget."*

The writers above raise a number of issues in support of maintaining the previous level of funding by Council toward cycleway construction. These include:

- Safety issues such as increased risk of accidents and loss of life with reduced funding
- Community health with the benefits of exercise and increased fitness achieved to date
- Social benefits - opportunity for community interaction and increased usage with the development of cycleway paths
- Potential to reduce traffic congestion, pollution and greenhouse gases
- Commercial/Economic issues - Risk of losing financial benefits gained in the district from visitors utilising cycle facilities and potential for increased tourism in marketing scenic cycling journeys
- Access & Equity Issues - cheaper transport option for lower income earners

Some submissions (e.g. Chris Horwood, Sue Matysek) suggested that Council consider funding the RFS budget from a number of programs requiring smaller contributions [i.e. $5,000 (five thousand dollars) from 10 (ten) programs] rather than entirely from cycleway funding. Others request Council to reconsider priorities of budget allocations.

Comments:

The request for the additional $50,000 (fifty thousand dollars) toward cycleway funding has sound argument for support. However, Council should consider the submissions in light of the whole capital works program. As funding is limited, if the submissions are supported by Council, funding should come from other capital works programs, which have already been considered by Council as appropriate.

2. Subject Matter - St. Albans Road

Submissions were received from:

(i) Ian Burns-Woods (Proprietor Settlers Arms Inn) - 18 May 2004
(ii) Steve (via Steven Pringle MP) - 18 May 2004
(iii) Ian Robinson (via Steven Pringle MP) - 02 June 2004
(iv) Drew Mitchell - Bandusia Country Retreat (via Steven Pringle MP) - 02 June 2004
(v) Les Sexton - Oakville House (via Steven Pringle MP) - 02 June 2004

Council at its Special Meeting of 10 May 2004 resolved to maintain funding for St. Albans Road at $236,000 pa. Council resolved that:

*"(d) St Albans Road upgrade to continue at the current rate of $236,000 pa."*

All submissions support Council's decision to maintain sealing of St Albans Road at the current level of funding.

The writers above raise a number of issues in support of maintaining the previous level of funding including:

- Safety issues including increased risk of accidents, inhalation of dust
- Risk/Actual loss of tourism due to risk of accident
- Strong demand by local residents and other road users

The submission from Mr Mitchell also seeks support for accelerated sealing of the road system and an upgrade to the current sealing program to incorporate wider roads, roadside markers, guard rails etc.

Comments:

Submissions already support Council intention to carry out the continued resealing of St. Albans Road. If Council is to consider additional roadwork or an accelerated program, funding should come from other capital works programs which have already been considered by Council as appropriate.

3. Subject Matter - Fees for Stall Contribution - Windsor Mall Markets

A submission was received from Windsor Mall Craft Market (8 June 2004) signed by the Executive Committee objecting to the increase in market rent of stalls. Council at its Special Meeting of 10 May 2004 resolved to increase mall display fees from $11 (eleven dollars) (GST inclusive) to $22 (twenty two dollars) (GST inclusive). Council resolved that:

*"(g) The mall display fees be set at $22 per stall per market."*

This decision would result in an estimated increase in rent fees in the order of $15,000 (fifteen thousand dollars).

The Executive Committee of the Windsor Mall Craft Market (WMCM) raise the following concerns:

- Stallholders' rent would need to be increased to $35 (thirty five dollars) per week, which is considered to be at the high end of comparable markets.
- The WMCM must meet unavoidable costs such as providing music and is also seeking to build up an advertising fund, necessary in maintaining business. Moreover, other costs, such as brochures, contain features that support local business in addition to the Market.
- There will be negative implications for tourists and other businesses if the WMCM is unable to continue functioning.

Comments:

Mall display fees were $22.00 (twenty two dollars) (GST inclusive) in the 2002/2003 financial year and subsequently reduced to $11.00 (eleven dollars) (GST inclusive) in 2003/2004. The reason for the reduction by Council was that the Windsor Mall Markets were under financial stress. Council resolved at its Ordinary meeting of 8 April 2003 (Item 141) when considering this matter that:

> *"2. The fee payable by Windsor all Craft Group Incorporated be re-assessed for the 2004/2005 Budget, taking into account the groups financial viability at that time."*

If Council considers supporting the submission from the WMCM, savings would have to be found from other operating activities by increasing other fees or reducing operating expenditures by an equivalent $15,000(fifteen thousand dollars).

Alternatively, Council may wish to consider phasing in the increase perhaps over 2 (two) years - i.e. increase from $11 (eleven dollars) to $16.50 (sixteen dollars and fifty cents) in 2004/2005 then to $22 (twenty two dollars) in 2005/2006. This would reduce the initial impact of the increase. The cost to Council of this option is a loss of income in 2004/2005 of approximately $7,500 (seven thousand, five hundred dollars).

It is considered that the WMCM is capable of passing on any increase in costs to stall holders. The Windsor Mall Group Stallholder Regulations allow for this in clause 8 which states in part that: *"Rent may be varied at any time by the market committee"*.

It is recommended that a stepped increase in fees be introduced such that Stall contribution (per stall) be increased to $16.50 (sixteen dollars and fifty cents) in 2004/2005 then to $22.00 (twenty two dollars) in 2005/2006.

4. Subject Matter - Fees Charged by Hawkesbury Sports Council (HSC)

A submission was received from Dianne Tait of the Hawkesbury Sports Council (HSC - 17 June 2004) requesting that Council consider making changes to proposed fees and charges in 2004/05 as follows:

(a) The inclusion of a $100 administration fee. *(This would be a new fee)*

(b) An increase in the seasonal canteen hire from $175 (2003/04) to $200. *(The current proposed fee for 2004/05 was $185. The revised proposal of $200 represents an increase of $25 or 14.3% on last year)*.

(c) An increase in the daily canteen hire fee from $52 (2003/04) to $100. *(The current proposed fee for 2004/05 was $55. The revised proposal of $100 represents an increase of $48 or 92.3% on last year)*.

(d) An after hours call out fee of $100 for failing to secure buildings or turn off floodlights. *(This would be a new fee)*

** Comments in italics*

Dianne Tate indicates that there is a need for these amendments due to the minor (CPI only) increases to the operational contribution to the HSC budget.

Comments:

The HSC originally requested that Council allocate:

- $665,302 (six hundred and sixty five thousand, three hundred and two dollars) as an operational grant [2003/04 budget was $552,302 (five hundred and fifty two thousand, three hundred and two dollars)]; and
- $225,000 (two hundred and twenty five thousand dollars) as a capital grant [2003/04 budget was $200,000 (two hundred thousand dollars)].

Management recommended a CPI only increase to the operational grant (representing an increase from $552,302 (five hundred and fifty two thousand, three hundred and two dollars) to $566,109 (five hundred and sixty six thousand, one hundred and nine dollars), and no change to the capital grant of $200,000 (two hundred thousand dollars)].

Council at its Special Meeting of 10 May 2004 resolved to increase the capital grant by $15,000 (fifteen thousand dollars). Council resolved that:

*"(b) Sports Council Capital to be raised to $215,000."*

The request to increase fees (items (b) and (c) above) appear reasonable and would be consistent with the increase in the same fees by the same amounts currently on exhibition for McMahon's Park. No objection to the increase in the same fees at McMahon's Park have been received.

The request to include a $100 (one hundred dollars) fee for administration (item (a)) relates to "casual bookings" such as sports carnivals and community groups etc. As this fee only seeks to partially recover administrative costs it appears reasonable. Similarly the request to include a $100 (one hundred dollars) fee in circumstances that warrant a "call out" because a community group has failed to act responsibly by locking up premises and turning off lights also seems reasonable and justifies support.

It is, therefore, recommended that the proposed increase in fees be supported.

5. Subject Matter - Fees Re: Bulk Kerbside Waste Collection

There have been no submissions in regard to this proposed new program, however the number of dwellings affected is double that previously advised to Council [some 14,000 (fourteen thousand) rather than 7,000 (seven thousand)].

The effect of this is that budget revenue and expenditure will be twice that previously advised in the draft management plan - i.e. $459,200 (four hundred and fifty nine thousand and two hundred dollars) as compared with $229,600 (two hundred and twenty nine thousand and six hundred dollars). Importantly there will be no change in the budgeted operating result or to the annual charge for Bulk Kerbside Waste Collection which will remain at $32.80 (thirty two dollars and eighty cents).

It is recommended that the 2004 / 2005 estimates be amended to reflect income and expenditure for the bulk kerbside waste collection of approximately 14,000 (fourteen thousand) properties.

**Other Budget Related Matters**

1. Local Government Superannuation Scheme

Council has received advice from Mr Peter Woods, Chair of the Local Government Superannuation Scheme (LGSS) indicating that:

> *"Following our recent Board meeting, I am pleased to advise that Councils will not be required to contribute for the period 1 July 2004 until 31 December 2004".*

However, the Mr Woods also reiterates his previous message to Council to fund full contributions stating:

> *"Councils are reminded that they should continue to budget towards full contributions resuming on 1 January 2005. I will write to you following the November Board meeting to advise you of the Board's decision following these considerations".*

Comments:

Management had previously recommended that Council apply the previous allocation of funds attributed to the ongoing construction of St. Albans Road ($236,000) towards meeting half the annual estimate of funding Pool B members superannuation. Council determined at its May 10 meeting to provide no funding for any potential requirement to fund Pool B superannuation and sought to maintain construction of St. Albans Road. As advised earlier in this paper, 5 (five) public submissions have been received supporting Council's decision.

It is recommended that the calling for tenders for construction of St. Albans Road be deferred until the second half of the financial year subject to advice from the Local Government Superannuation Board.

2. Sub Division Engineering Assistance

During the preparation of this Draft Management Plan, a request was made to continue the employment of an engineering assistant to assist in the process of Development Applications. This allocation is used to engage a consultant to assist the Sub Division Engineer in processing associated work.

In the preparation of the budget however, no allocation was made for this, and it is believed that there is too much work for the Sub Division Engineer to process the Development Applications and it is recommended that this service be continued.

In an effort to remain revenue neutral, work priorities were re-analysed with a higher priority placed on the engineering assistance to the Sub Division Engineer than the Scientist required for the analysis of tree preservation orders and environmental impacts. It is therefore recommended to re allocate the funding provided in the Draft Management Plan for a tree preservation order scientist to sub division engineering assistance.

**Reports Requested**

As part of the resolution of 10 May 2004, the following reports were requested:

*(a) Car parking provision and/or upgrade for Windsor, Richmond and North Richmond*

*Windsor*

There is currently an overall shortage of car parking spaces in the Windsor area generally due to the closure of the Hollands Paddock car park. The proposed shopping centre development on this land will ultimately provide in excess of 300 car parking spaces. Negotiations are currently underway with the developer to provide an additional level of parking on the site which would provide in excess of 500 car parking spaces should these negotiations come to a satisfactory conclusion. Funding for the additional level of parking is one of the major considerations.

There is very limited scope to provide additional car parking within the immediate commercial precinct of Windsor. It would be possible to provide an additional deck of parking on the existing car park at the intersection of Kable Street and The Terrace and it may be possible to provide an additional deck of parking on the existing car park at the intersection of Kable Street and Macquarie Street in the future if warranted.

*Richmond*

It would appear that there is adequate car parking spaces available within the commercial precinct of Richmond at this stage. Should the current trend continue to provide for ground floor commercial with residential above it is anticipated that below ground parking will be provided for additional development as it occurs.

*North Richmond*

There is an apparent lack of parking spaces available around the main car park to the North Richmond Shopping Centre, however, the car parking areas at the intersection of Pitt Lane and Riverview Street, the area above the Bi-Lo Shopping Centre and the car park at the intersection of Riverview Street and Grose Vale Road are under utilised particularly with regard to the latter two. The layout of the main car park has been reassessed, however, at this stage it would appear that less than five additional parking spaces may be obtained through a redesign of the area.

Similar to Richmond there are a number of proposals to provide ground floor commercial with residential above, adjacent to the commercial area which would provide underground car parking spaces and should this trend continue there should be ample parking within the area.

*Funding*

There is currently aproximately $350,000 (three hundred and fifty thousand dollars) within the Section 94 Reserve available for the provision of car parking throughout the city and it is anticipated that these funds will be utilised as part funding for the additional level of parking within the Hollands Paddock development subject to Council's further consideration.

In terms of the Capital Works Program $150,000 (one hundred and fifty thousand dollars) has been provided on an annual basis to undertake improvements within the existing car parking areas. As there were no improvement items identified within the existing car parks for the next financial year it was proposed within the budget document that the $150,000 for 2004/2005 be reallocated to other projects within the Capital Works Program.

*(b) The reasons given by the State Government for the new $60,000 levy for Rural Fire Services and any other cost shifting by the State Government that has affected this budget*

*Background*

The NSW Rural Fire Service advised Council in a Circular dated 12 February 2004 (received 5 March 2004) of a revised estimate of the probable contribution required by Council to the Rural Fire Fighting Fund. That advice indicated that the original estimate, presented to Council at its General Purpose Committee meeting of 30 September 2003 of $307,710 was to increase to $361,263.

No specific details were provided as to the reasons for the budget increase, however, Hawkesbury City Council contributes 13.3% of RFS funded expenditures which means that should those expenditures be increased, Council contribution towards the RFS Fire Fighting Fund similarly increase. Therefore the RFS/Council contribution increased as follows:

| September 2003 | | February 2004 | |
|---|---|---|---|
| RFS | Council | RFS | Council |
| $2,313,609 | $307,710* | $2,716,060 | $361,263* |
| * ($2,313,609 x 13.3%) | | * ($2,716,060 x 13.3%) | |

The late and unsubstantiated increases have been of concern from a number of councils as noted by Cr Dr Sara Murray, President of the Local Government Association of NSW in her letter of 31 October 2003 which states in part:

> *"The Associations have received concerns from a number of councils about severe difficulties in working with the NSW Rural Fire Service, and the escalation of contributions well beyond budgeting and rate pegging limits."*
>
> Cr Dr Murray further indicates that: *"A number of councils have attempted to provide a business plan where councils' contributions were tied to rate pegging, with the capital program tailored to provide urgent essential assets strongly influenced by cost factors".*

*Cost Shifting*

One of the factors that was considered in the comprehensive report into cost shifting[1] issued in October 2003 related to RFS contributions. On page 42 of that report under the heading of rate capping was the following:

> *Lgov NSW contested the rate capping policy and pointed out that government instrumentalities, such as the NSW Fire Brigade and Rural Fire Service, commonly increase their levies by amounts that exceed the rate capping limit imposed on councils. Lgov NSW provided the following table which demonstrates the gap between the NSW Fire Brigade Levy and the rate capping limit over the last 10 years.*

The ten year table indicates an average rate pegging increase over that period of only 2.6% as compared to average NSW Fire Brigade Levy of 6.9% (refer below).

**Table 3.3 NSW Fire Brigade levy increases v Rate Capping Limit**

| Year | NSWFB Levy Increase % | Rate Capping Limit % |
|---|---|---|
| 1993/94 | None | 2.6 |
| 1994/95 | 5.9 | 2.3 |
| 1995/96 | 8.7 | 2.2 |
| 1996/97 | 10.5 | 2.7 |
| 1997/98 | 7.5 | 3.1 |
| 1998/99 | 12.8 | 1.7 |
| 1999/00 | 2.8 | 2.4 |
| 2000/01 | 2.7 | 2.7 |

[1] Rates and Taxes: A Fair Share for Responsible Local Government, House of Representatives, Standing Committee on Economics, Finance and Public Administration, October 2003.

| Year | NSWFB Levy Increase % | Rate Capping Limit % |
|---|---|---|
| 2001/02 | 5.0 | 2.8 |
| 2002/03 | 13.3 | 3.3 |
| **Average** | **6.9%** | **2.6%** |

Lgov commented on the inequities of the systems in their submission stating:

> *"Councils are not consulted about the NSWFB budget and they have no say in its operations or management but they are legally obliged to meet the increases in the levy. On one hand the Government is approving increases in the NSWFB budget in excess of the CPI while on the other, constraining Local Governments ability to meet the cost of the increases. This inevitably compromises the provision of council infrastructure and services.*
>
> *Further, as the levy is imposed on councils and not individual property owners, the levy is not readily apparent to the public. The levy is ultimately hidden in council rates with most rate payers unaware that they are funding a State Government agency in addition to their local council."*[2]

The major areas of cost shifting reported to the Senate Committee were:

- *the withdrawal or reduction of financial support once a program is established, therefore leaving local government with the choice of continuing a program or suffering the political odium of canceling the service;*
- *the transfer of assets without appropriate funding support;*
- *the requirement to provide concessions and rebates without compensation payments;*
- *increased regulatory and compliance requirements; and*
- *failure to provide for indexation of fees and charges for services prescribed under state legislation or regulation.*[3]

Therefore the range and type of cost shift is diverse. Arguably all costs that increase above rate pegging results in cost shifting. For example, in 2002/03 rate pegging increased only 3.3% whereas public liability insurance increased between 30%-50%. Councils were left to fund the shortfall.

The Senate Committee noted that: *"The assessment of the true extent of cost shifting from other spheres of government to local government is extremely complex. There is no clear definition of cost shifting, so most representatives of local government were careful not to provide an estimate of the extent of cost shifting*[4]."

However some councils provided comprehensive data of the extent of annual cost shifting as follows:

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[2] Lgov NSW, Submission, number 226, pp. 16-17
[3] Ibid 1, page 30.
[4] Ibid 1, page 26.

| Council | State | Classification | Estimated annual cost shift |
|---|---|---|---|
| Nambucca Shire Council, Sub: 57 | NSW | Rural, agricultural, very large | $1,591,000 |
| Eurobodalla Shire Council, Sub: 394 | NSW | Urban, regional, medium | $732,500 |
| Newcastle City Council, Email dated 30 July 2003. | NSW | Urban, regional, very large | $4,481,000 |
| City of Albury, Sub: 94 | NSW | Urban, regional, medium | $8,109,000 |
| Manilla Shire Council, Sub: 90 | NSW | Rural, agricultural, medium | $381,479 |
| Guyra Shire Council, Sub: 27 | NSW | Rural, agricultural, medium | $367,000 |
| City of Greater Geelong, Sub: 285 | VIC | Urban, regional, very large | $20,770,500 |
| Moonee Valley City Council, Sub: 263 | VIC | Urban, metropolitan, large | $10,184,500 |
| City of Casey, Sub: 74 | VIC | Urban, fringe, very large | $14,800,258 |
| City of Salisbury, Sub: 192 | SA | Urban, metropolitan, large | $1,930,000 |
| District Council of Loxton Waikerie, Sub: 236 & Email dated 1 August 2003. | SA | Rural, agricultural, very large | $545,850 |
| Ipswich City Council, Sub:221 | QLD | Urban, fringe, very large | $5,307,504 |
| Redland Shire Council, Sub:152 | QLD | Urban, fringe, large | $2,865,231 |
| Maroochy Shire Council, Sub: 139 | QLD | Urban, fringe, very large | $3,260,000 |
| Sarina Shire Council, Sub: 264 | QLD | Rural, agricultural, very large | $856,230 |
| Diamantina Shire Council, Sub: 145 & Email dated 28 July 2003. | QLD | Rural, remote, extra small | $1,370,000 |
| Shire of Manjimup, Sub: 219 | WA | Rural, agricultural, very large | $430,100 |
| City of Armadale, Sub: 102 | WA | Urban, fringe medium | $1,801,000 |
| City of Cockburn, Sub:45 | WA | Urban, fringe, medium | $1,061,421 |

As an indication, Hawkesbury City Council is classified as *"Urban, fringe, medium"* which, for comparative purposes, is similar to City of Armadale and City of Cockburn in the WA who indicate an annual cost of $1,801,000 and $1,061,421 respectively.

*(c) Future of Ferry Operations in general, especially the Lower Portland Ferry including the planned $70,000 major overhaul of the Lower Portland Ferry.*

*Ferry Operations*

There are currently four (4) ferry crossings on the Hawkesbury River within the City. Three of the ferries, Sackville, Webbs Creek and Wisemans Ferry are owned and fully funded by the Roads & Traffic Authority. Council undertakes the contract administration and minor repairs for these operations on behalf of the RTA. The Authority is currently moving towards undertaking the operation and maintenance of all their ferries from October 2004. It is anticipated that this will provide economies of scale and overall consistency for those operations. The operation of the Lower Portland Ferry is jointly funded by Baulkham Hills Shire Council and Hawkesbury City Council on an equal basis and the contract operation and maintenance is undertaken by this Council.

*Lower Portland Ferry*

The current operating cost of the Lower Portland Ferry is estimated at $241,600. This amount consists of $191,00 for the contract operation, $48,000 for maintenance and $2,600 for insurance. As the ferry vessel is of timber-hulled steel sheeted construction and is under survey by the Waterways Authority it is a requirement by that Authority for the vessel to be slipped and overhauled every two years to ensure its structural integrity. The additional costs to undertake the slipping and overhaul is estimated at $140,000. The sum of these two amounts in the 2004/05 period makes a total of $381,600. It should be noted that the ferry will not be able to continue operating unless the slipping and overhaul is undertaken in accordance with Waterways requirements.

In April 1998 Council resolved (as did Baulkham Hills Shire Council) after a period of community consultation and consideration through a Working Party of both Councils and community representatives, to retain the ferry operation for ten years.

*(d) Removing duplication in the economic development area of the new Commercial Response Unit.*

The report on duplication in the economic development area of the new Commercial Response Unit is currently in progress and will be provided to Councillors under separate cover by 25 June 2004, so that implications for 2004/2005 Management Plan and Estimates can be considered at the Special Meeting to be held on 28 June 2004.

*(e) Windsor Sewer Scheme Cross Subsidisation including an analysis of the differences since 1995 between the Sewerage Charges in 'Windsor and the Sydney Water scheme and recommendations as to how we may have some parity pricing.*

*Windsor Sewer Scheme*

The comparative charges between Council and Sydney Water for sewerage services to residential properties is shown in the table:

| Windsor Sewer Scheme (WSS) | | Sydney Water Sewer Scheme | | WSS Increase |
|---|---|---|---|---|
| Year | Connected | Date | Annual Charges | Difference |
| 1996/1997 | $296.00 | 1996/97 | $271.60 | $24.40 |
| 1997/1998 | $305.00 | 1997/98 | $280.40 | $24.60 |
| 1998/1999 | $310.20 | 1998/99 | $285.60 | $24.60 |
| 1999/2000 | $317.60 | 1999/00 | $290.40 | $27.20 |
| 2000/2001 | $326.20 | 2000/01 | $304.60 | $21.60 |
| 2001/2002 | $335.30 | 2001/02 | $310.00 | $25.30 |
| 2002/2003 | $346.40 | 2002/03 | $328.36 | $18.04 |
| 2003/2004 | $358.80 | 2003/04 | $338.54 | $20.26 |
| 2004/2005 | $371.40 | 2004/05 | $346.66 | $24.74 |

It will be noted that the difference between the two charges varies generally between $18 and $27 per annum, this variance is due to Sydney Water obtaining approval from the Independent Pricing and Regulatory Tribunal whereas Council generally adopts the rate pegging limit set down by the State Government. It is considered that the difference in the charge is generally due to Sydney Water being able to achieve greater economies of scale, with a larger number of properties over which to spread their costs. Any reduction in Council's sewer rate would have a detrimental affect on current asset management.

With regard to cross subsidisation, there are two areas external to the Windsor Sewerage Scheme boundaries from which sewage is received and treated at the South Windsor Wastewater Treatment Plant. One area is the John Morony Correctional Facility which carries out some on-site treatment of the effluent generated, with the remainder being piped to the treatment plant and a charge for treating that effluent applied in accordance with the Revenue Pricing Policy. The correctional facility has paid headworks charges and provided the infrastructure to pump the effluent from the facility to the treatment plant.

The other area from which septage is received is from on-site pumpout systems from outlying areas. This septage was originally discharged at the Blaxlands Ridge Ponds, however, when the EPA forced the closure of that facility it was necessary to provide an alternative treatment site. The septage is treated on a user pays basis, again in accordance with the Revenue Pricing Policy. While there has been no headworks contribution paid in this instance it is understood that when reticulated sewerage is connected to properties the cost for the provision of treatment facilities will be included as part of the project.

*(f) Public Sculpture Proposed for OLD Hospital Site.*

Reported at the General Purpose Committee meeting of 1 June 2004.

*(g) Outline processes to be put in place for after hours usage of meeting rooms at the new library facility by non-profit groups.*

Reported at the General Purpose Committee meeting of 1 June 2004.

*(h) Expenditure for Hawkesbury Lookout and plan of management.*

*Bellbird Hill Reserve*

As a result of community concern regarding the Council's call for expressions of interest for the development of Bellbird Hill Lookout, a committee of interested residents and Councillors was formed in October 2002 to discuss priorities for Bellbird Hill Lookout.

Priorities identified included development of the area which involved possible construction of a new lookout platform, creation of a safer exit point onto Bells Line of Road, interpretive signage, general landscaping and creation of a higher profile site to discourage nuisance behaviour and create a tourist asset.

As the lookout is a high profile site it was considered that a Landscape Master Plan should be developed to ensure that future development was suitable for the site.

Funding was made available in the 2003/04 budget through both the Park Improvement Program, ($30,000 [thirty thousand dollars]) and the Building Services Program, ($30,000 [thirty thousand dollars] Section 94 Funding), to upgrade the lookout and develop a landscape plan making a total of $60,000 (sixty thousand dollars). Once the design has been completed, the implementation costs can be estimated and application made for further funding or grants. A grant application of $46,130 (forty six thousand one hundred and thirty dollars) was also successful for the rehabilitation of the bushland and some landscaping of the lookout area.

Prior to the brief for a Landscape Master Plan being developed, Keith Naylor, a landscape architecture student at Richmond TAFE volunteered to develop a plan as part of his studies. The results were satisfactory but it was considered that further refinement was required. This plan would be used in the further planning and creation of a Landscape Master Plan to be commissioned by Council.

A brief for the Landscaping Plan has since been developed and comments sought from the committee and have now been received. The plan will be amended accordingly and the brief will be advertised for expression of interest shortly.

Once the expression of interests have been received the committee meetings will recommence to consider all the options available.

*(i) Report on Richmond Pool Fees*

*Richmond Pool Fees*

The entry fees to Richmond Pool were increased as shown in the table below and indicates the effect of CPI from the 2000/2001 season when a general increase had been carried out.

| Admission Charges | 99/00 | 00/01 | 01/02 | 02/03 | 03/04 | Based on CPI since 00/01 | Recommended Fee 04/05 |
|---|---|---|---|---|---|---|---|
| Family | $3.50 | $4.00 | | $5.00 | $5.00 | $4.48 | $5.00 |
| Adult | $2.00 | $2.50 | | | | $2.80 | $3.00 |
| Pensioner | $1.00 | $1.50 | | | | $1.68 | $1.50 |
| Child | $1.00 | $1.50 | | | | $1.68 | $1.50 |
| Carer/Spectator | $0.50 | $0.50 | | $0.50 | $0.50 | $0.56 | $1.00 |
| Family Season Pass | $250.00 | $275.00 | | | $280.00 | $308.30 | $308.50 |
| 20 passes - Adult | $20.00 | $25.00 | | | $30.00 | $28.03 | $30.00 |
| 20 passes - Child | $10.00 | $15.00 | | | $20.00 | $16.82 | $20.00 |
| Carnivals - half day | $100.00 | $110.00 | | | $115.00 | $123.32 | $123.50 |
| Carnivals - full day | $150.00 | $165.00 | | | $170.00 | $184.98 | $185.00 |
| School accredited Learn to Swim | | | New fee | $1.10 | $1.10 | | $1.10 |

Entry fees are generally not recommended to be increased annually on the basis of CPI as the current turnstiles can only be altered to accommodate increments of $0.50 (fifty cents) or $1.00 (one dollar) in relation to individual entry fees.

As some of the fees identified are different to those which have been advertised in the Draft Management Plan Revenue Pricing Policy, it would be necessary to re-advertise these fees for a period of 28 days. This would not have any effect on the operation of the pool currently as it is closed over the Winter period.

As part of the resolution of 10 May 2004, the following correspondence was requested:

*The General Manager to write to the Premier, Treasurer, Opposition Leader and Local State Members about the arbitrary nature of this new $60,000 fire levy and the impact it has on Hawkesbury City Council Budget*

Correspondence was prepared and sent 20 May 2004.

**RECOMMENDATION:**

That the Draft Management Plan as advertised, including estimates for 2004/2005, be adopted with the following amendments:

That:

1. Fees to be charged to the Windsor Mall Markets per stall be increased to $16.50 (sixteen dollars and fifty cents) in 2004/2005 then to $22.00 (twenty two dollars) in 2005/2006.

2. Fees charged by Hawkesbury Sports Council Incorporated be amended as follows:

   a. The inclusion of a $100.00 (one hundred dollar) administration fee.
   b. An increase in seasonal canteen hire from $175.00 (one hundred and seventy five dollars) to $200.00 (two hundred dollars).

c. An increase in the daily canteen hire fee from $52.00 (fifty two dollars) to $100.00 (one hundred dollars)

d. An after hours call out fee of $100.00 (one hundred dollars) for failing to secure buildings or turn off flood lights.

3. That the 2004/2005 estimates be amended to reflect income and expenditure for the bulk kerbside waste collection of approximately 14,000 (fourteen thousand) properties.

4. That the calling for tenders for the construction of St Albans Road be deferred to the second half of the financial year subject to advice from the Local Government Superannuation Board.

5. To re allocate the funding provided in the Draft Management Plan for a tree preservation order scientist to sub division engineering assistance.

6. That Council advertise the recommended changes in the Richmond Pool fees for a period of 28 days.

**ATTACHMENTS:**

There are no attachments for this report.

**oooO END OF REPORT Oooo**

special

meeting

end of business paper

This business paper has been produced electronically to reduce costs, improve efficiency and reduce the use of paper. Internal control systems ensure it is an accurate reproduction of Council's official copy of the business paper.