

Your questions answered about the Eurobodalla Shire's Resourcing Options

[Questions about the Micromex Survey](#)

[What is the role of the community Reference Group in the Resourcing Strategy?](#)

[Will the impact on pensioners and other low income people be considered?](#)

[Will my total rates increase by 5.5% or 7%?](#)

[How does council decide what services to provide?](#)

[How can Council become more efficient and cost effective?](#)

[Where can I find comparable information about council's income and expenditure?](#)

[How was the decision made to include in the survey, questions about a new Regional Aquatic Centre and Regional Performing Arts Centre?](#)

[Will our rates revert to rate pegging levels in 2018 with an expectation that Council will be on top of this issue in a decade?](#)

[Why is the Resource Strategy Options Paper and Survey focussed on management and maintenance of infrastructure and facilities when the natural environment, employment, education and health are equally important to the community?](#)

[Can the newly elected Council change the decision about setting rates after the Local Government elections in September 2012?](#)

[Why doesn't Council ask if community members are prepared to take greater responsibility for the maintenance of local public assets?](#)

[How do I know this consultation is 'fair dinkum' and Council hasn't already made a decision to increase rates?](#)

[Why is council planning for 20 years in the Community Strategic Plan and only 10 years in the Resourcing Strategy?](#)

How will the 500 residents and 250 non-resident ratepayers be selected for the survey? How will Council know that survey results reflect the whole community's best interests and not just the interests of a few hundred people?

Micromex Research was selected by Council to conduct this telephone survey. Micromex Research is an experienced market research company that will be using proven and accredited computer aided methods to randomly select 500 Eurobodalla Shire residents from listed and silent telephone numbers for interviewing. Micromex Research is using a similar process to select 250 non-resident ratepayers from a postal address list provided by Council. Micromex Research indicates that the Independent Pricing and Regulatory Tribunal (IPART) and the NSW Department of Local Government considers a survey sample size of 400 as a statistically robust measure of response.

This type of telephone survey is one of the most statistically reliable methods of determining the views of the community while ensuring that the people interviewed are informed about the issues being raised. For a statistically reliable survey, the sample is objectively chosen so that each member of the population will have no known chance of selection.

Refinement of the random selection ensures that there are representative numbers of people from all areas across the shire. The selection of a respondent in each household will be done by the most recent birthday process. This is done to ensure that no one age group is over represented.

A further filtering process will ensure that the respondents are neither employees of Council nor employed by a market research company, that they are 18 years or older, a permanent resident and have lived in the Shire for a minimum of 6 months.

What role has the Community Reference Group played in the development of the Long Term Resource Options Paper and Survey?

Along with Councillors, Community Reference Group (CRG) members were asked to comment on whether draft versions of the Long Term Resource Options Paper and Survey would meet the following objective derived from the adopted engagement strategy.

'To provide a transparent and fair engagement process in which community members have an opportunity to contribute in a positive way to the service delivery and resource options available to Council to meet objectives of the Eurobodalla2030 Community Strategic Plan'

Four CRG members responded to Council within the five days allocated and most of the questions in this Q&A document were posed by this group.

Will my total rates increase by 5.5% or 7%?

The rate bill that you receive in July each year sets out all the charges to your property including the General Rate & Environment Levy, Waste, Water and Sewer Charges.

The rating options put forward in the Rating Options paper is for council's General Income only. The two rating options provided are for increases in the General Rate, above the rate pegging amount. These rating options do not cover the water, sewer or waste businesses which are services provided directly to a property and are charged on a cost recovery basis. Those charges will vary in the future to ensure continued cost recovery.

Council is yet to make a decision about whether to raise additional income or not. The Council will consider the survey results, the outcomes from community focus groups and public submissions before it makes a decision about future rating in March 2012. If council does decide to raise additional income over the next ten years, the level and pace of introduction of that increase may vary from that put forward in the Resourcing Options paper.

Will the needs of financially disadvantaged ratepayers such as pensioners and others on a fixed income be addressed if there is a rates increase?

Eligible pensioners will continue to receive pensioner rebates on Council rates & charges. This rebate is set by and partially paid for by the State Government (Council's share of this cost is around \$800,000 per year). In addition there are a variety of concessions on other Council fees and charges.

Council has a rates hardship policy which is regularly reviewed and allows for payment arrangements.

Council will consider a full ratepayer impact assessment before making any decisions about future rating. Other councils have considered such measures as additional rate subsidies to reduce the impact on pensioners. All the options open to council will be provided for consideration, when the time comes to make some decisions in 2012.

How does Council decide which services it provides to the community?

While Council provides over 120 separate services to the community, it has to provide the services listed below and more to meet statutory requirements. These requirements have expanded as new legislation has been introduced.

- On site sewerage system licencing and compliance
- Weeds Management
- Some environmental protection and restoration projects
- Statutory Planning and Reporting
- Strategic Landuse planning
- Community Land planning
- Building assessments and development control

- Enforcement of laws in relation to parking, tree preservation, litter, illegal fires, companion animals, food premises etc

In addition, all NSW Councils are obliged by the Local Government Charter to respond to social, environmental and economic issues identified by their communities. The issues, needs and aspirations are identified by Council using community engagement including surveys and analysis of data from reliable sources such as the Australian Bureau of Statistics.

Council then works with the community and other levels of government to identify objectives, strategies and performance measures through strategies and plans to help shape the extent and nature of services and facilities. Some of these plans are listed below.

- Companion Animals Management Plan
- Youth Strategy, Cultural Plan, Social Plan, Positive Ageing Strategy
- Eurobodalla Settlement Strategy
- Regional State of the Environment Report, Southern Rivers Catchment Action Plan
- Recreation and Open Space Strategy
- Flood Management Plans, coastal management plans, lake opening and closing policies

Over time and in collaboration with the community and other levels of Government, our Council has obtained grant funding and successfully operated a range of services to respond to these plans and support people of all ages, the natural environment and economic development of our Shire.

The budget provision for those services has generally been shaped by the level of initial seed funding such as grants and initial council allocations when a new service is introduced and increased or reduced over time as a result of reviews, new strategic initiatives or external opportunities such as additional grants.

These decisions have been tested through the annual Management Planning process which has included prioritisation, consideration of the balance of needs.

Examples of services and new facilities that have been developed to meet needs identified by the community in the past 15 years include:

- Home and Community Care Services
- Children's services
- Youth Services
- Cultural services
- Environmental programs such as Landcare
- Share pathways
- Upgraded sport and recreational facilities
- 3 new libraries
- 2 new community centres

Eurobodalla Shire Council also provides water and sewer services which account for one third of council's assets and overall costs. Only two in three councils provide these services.

Waste management services have also changed significantly in the past 15 years shaped by the Waste Minimisation strategy developed in consultation with the community, this has resulted in the introduction of a range of kerbside recycling services.

Some services have been introduced directly as a result of cost shifting from Federal and State Governments, often without the provision of adequate funding. Council reports on this each year through a cost shifting survey, the last report to Council in October 2011 showed that cost shifting is costing ratepayers over \$4.2 million a year.

Council claims in the Long Term Resourcing Options Paper that it can become more efficient and cost effective. How will this be achieved?

In addition to one off savings totalling \$4.8 million, Council is dedicated to achieving ongoing efficiencies and savings into the future through:

- Implementation of a new organisation structure from 1 January 2012 aligned to the objectives of the *Eurobodalla 2030* Community Strategic Plan
- Improved technology to integrate and streamline operating and management systems
- Improved workforce capabilities, administrative processes and customer service derived from application of the Australian Business Excellence Framework, which applies a continuous improvement approach to process and service review
- Regional cost and resource sharing with neighbouring Councils
- Introduction of energy efficiency measures to reduce the impact of the increasing cost of energy and to reduce carbon emissions
- Continue the rolling audit program (a review of fleet management this year identified some savings)

Where can I find a breakdown of our council's income and expenditure with direct comparisons with other similar sized councils.

The [Long Term Resource Options Paper](#) includes a Long Term Financial Plan (LTFP). The LTFP includes a summary of estimates for Council's income and expenditure for the period 2011-21 on page 17 and more detailed financial modelling in Attachment 1.

The NSW Department of Local Government publishes [Comparative Data for NSW Local Government](#) each year (The 2008/09 data was reported to Council's Finance and Services Committee in October 2010). This includes a range of indicators including income and expenditure breakdowns for all NSW Councils with comparisons between Councils that are categorised by the NSW Government into one of 11 groups.

Eurobodalla Shire is one 33 councils in Group 4 which includes all the small and medium sized, urban/regional Councils such as Bega Valley, Port Stephens, Dubbo, Orange and Clarence Valley.

However, comparing one council to another is not easy and can be misleading when there are so many differences in the range and type of services, the way that these are delivered or funded. Council's independent external auditors raised this very issue when questioned by Councillors in the audit presentation to the November 2011 Council meeting.

For instance, some councils choose to deliver more of their services through contractors versus locally employed people, this means that their employee numbers are lower and their employee costs are lower, but the contract & materials expenses is higher.

Some councils such as Eurobodalla have taken a role of sourcing grants for community services which otherwise may not have been provided. The high level of people in the over 65 age group in the shire (double the state average) means that we need more services for the aged and disabled. Council employs more than 55 staff (equivalent full time) to deliver these grant funded services. This means that our employee costs and employee numbers are higher than a shire that doesn't provide grant funded community services.

Only two in three councils provide water and sewerage services. Council employee costs and numbers include the workforce required to deliver those services. So once again, Eurobodalla's expenses will be higher than the average because of these reasons.

Local differences such as one central regional town such as Dubbo, versus a shire like Eurobodalla which has a long narrow strip with three major towns, makes a significant difference to the number of facilities required. For example, there is a library and swimming pool in each of our three main towns. The topography also has a bearing on the cost of services and certainly means that our water and sewer services bear higher operating costs than services provided on a less diverse geography.

So for the above reasons, comparing the expenditure between councils needs to be done taking into account the many differences.

How was the decision made to include in the survey, questions about a new Regional Aquatic Centre and Regional Performing Arts Centre?

In 2010, 1,400 people identified 32 priorities for the future of the Shire in a community survey conducted by Council. Of the 32 priorities, the highest ranking visions related to ensuring a balance of economic and social growth and development while maintaining the natural environment and lifestyle we currently enjoy. The majority of objectives in the *Eurobodalla2030* Community Strategic Plan support these visions.

In addition to these important aspirations, the infrastructure proposals listed below were identified by the community in the community survey. These results helped direct further discussion with the community while Council has been drafting the *Eurobodalla 2030* Community Strategic Plan.

- arts and cultural facilities
- regional hospital
- regional aquatic centre

- recreation and leisure facilities
- tourism facilities
- local roads and highways
- educational facilities
- youth facilities
- community facilities

Funding for some of these projects is the responsibility of State or Commonwealth Governments, not Council. The Community Strategic Plan contains strategies to lobby or directly improve all of these assets with the exception of a Regional Aquatic Centre and Regional Performing Arts Centre.

Will our rates revert to rate pegging levels in 2018 with an expectation that Council will be on top of this issue in a decade?

The resourcing options paper gives two different rating options for providing additional funding under Scenario 2. These are phased in over a five year period at equal percentage increments with rate increases reverting to rate pegging levels from the 2018/19 financial year.

Both options mean an increase in infrastructure maintenance and renewal levels substantially addressing the gap but no additional resourcing for the infrastructure backlog.

Only a greater level of investment as proposed in Scenario 3 will address infrastructure maintenance, priority backlog and replacement of our ageing infrastructure.

Why is the Resource Strategy Options Paper and Survey focussed on management and maintenance of infrastructure and facilities when the natural environment, employment, education and health are equally important to the community?

The social, environmental and economic aspirations of the community are also important for Council, however, the funding of many of these activities are the responsibility of the Commonwealth and State Governments not Council.

While Council's revenue has been limited by rate pegging, it still has to focus on maintaining and renewing the basic assets and infrastructure for our growing population which in turn directly contributes to our social, environmental and economic wellbeing.

Can the newly elected Council change the decision about setting rates after the Local Government elections in September 2012?

Yes. The Local Government Act currently requires that in consultation with the community, each newly elected Council reviews and adopts a new Resourcing Strategy, Community Strategic Plan, Delivery Program and Operational Plan within nine months after the election.

However, this Council is investing in time now to properly inform the community and consider these issues in order that the new Council will have sound information on which to base its decisions.

On 7 November 2011, our Council wrote to the NSW Minister for Local Government, Hon Don Page on behalf of 93 other councils, requesting that he consider an amendment to the Integrated, Planning and Reporting Framework to enable the review and update of the first Community Strategic Plan, Resourcing Strategy and Delivery Program to occur in the last year of the next elected Council's term of office. The flow on from this would be to guarantee the long-term vision, objectives and strategies set now by our community will guide the next elected Council in its term of office.

At the time of writing this Q&A document, there has been no response from the Minister.

Why doesn't Council ask if community members are prepared to take greater responsibility for the maintenance of local public assets?

The community has and always will be involved in the maintenance of public assets. For example, the quality and cost of many of the shire's buildings, sporting complexes and cycle ways would not be the same if it were not for the hard work of community members. Council is committed to this relationship into the future.

Needless to say, maintenance and construction of the Shire's major local infrastructure needs such as roads, water, sewer and waste are often the most expensive and must be managed by Council.

How do I know this consultation is 'fair dinkum' and Council hasn't already made a decision to increase rates?

This is the first phase in developing the Delivery Program which will describe Councils' activities and services for the next four years.

Council is yet to make a decision regarding future rating. Councillors want to know what level of community support there is for the three scenarios and the funding options with a focus on the next 10 years.

The resourcing options paper sets out the facts that the Council faces regarding its financial sustainability and the resources required to maintaining existing infrastructure and services, Scenario 2.

It also identifies the sorts of facilities and services that may be required to meet the pressures of growth and change over the next 10 years as put forward in broad terms in Scenario 3.

If there is no support for additional funding, then Council will need to consider that information and make a decision about resourcing council services that can be provided in the next ten years and in more detail in the next four years.

There will be further opportunity for the community to have input to these decisions through the public exhibition of the Delivery Program in May 2012.

Why is council planning for 20 years in the Community Strategic Plan and only 10 years in the Resourcing Strategy?

Planning cycles differ due to statutory requirement or perceived needs. Council is required to plan for water and sewer businesses for a 30 year cycle. Council's are required to plan for a minimum of 10 years in the Community strategic Plan. However, over 50% of NSW Councils are planning 15-20 in advance whether they are a W&S providers or not. It makes good business sense to consider the whole life of assets when planning for the future, many assets have a life well beyond a 10 year timeframe.

Ultimately, planning for more than a 10 year period a choice based on the needs of each Council.

Eurobodalla has strategically opted to look 'over the horizon' in formulating the community vision and objectives, as the community will change significantly in the next 20 years with the aging population and need to consider the renewal of many assets built in the 1970s.