

Pam Wanrooy

From: President Clee
Sent: Tuesday, 7 July 2020 7:09 AM
To: Renita Glencross
Subject: WSC Shire Plan

I wish to strongly object to your proposal to “add back” the amount of depreciation to “balance” the budget. This component was added to the budget as a vehicle to finally add an amount to our provisions for future expenses on depreciated items
It is a real cost to the community and should be left in as part of the budget.

To add it back is a failure to be open and transparent to the community

If there is a shortfall, then find savings in another area or increase rates.

Peter Clee

Pam Wanrooy

From: Chris Chaplin <Chris@WagaitBeachSupermarket.com>
Sent: Monday, 13 July 2020 8:06 AM
To: Renita Glencross
Cc: 'Sue Chaplin'
Subject: Wagait Shire Council Annual Plan 2020/21

Renita

I understand that the closing date for submissions was last Friday but I hadn't been able to complete my submission by that date.

I hope that the following can be accepted for consideration in relation to this year's plan.

I have used the same headings as used in the plan.

COOPERATIVE ARRANGEMENTS

It may be an oversight but Northern Land Council/Kenbi Ranger Group should be in this list. If Wagait Shire Council doesn't have cooperative arrangements with NLC then it should have. They are the next most significant and active entity in our area and we should be interacting with them, basically on a daily basis.

PERFORMANCE INDICATORS

The performance indicators for each Service Delivery Plan item should reflect the actions listed in "Current Approach" and "Priorities for 2020/21". In many cases the performance indicators don't bear any relevance to the actions being, or to be, undertaken. Often actions listed don't have a relevant performance indicator.

PERFORMANCE REVIEWS

Irrespective of what performance indicators are listed are they ever reviewed? If so, are the reviews published? If reviews aren't undertaken, why bother having performance indicators?

REQUESTED NEW SERVICE DELIVERY PLAN ITEM

I request that the following item be added to the Plan.

Item 1.7. RETICULATED WATER INFRASTRUCTURE

What Is The Service?

Develop a plan to establish reticulated water to every property within Wagait Beach.

What Is Produced?

A strategic plan that enables the community to identify the cost of a reticulated water supply to each property.

What Is The Result?

The ability to determine how such a project can be financed. That could be a mix of funding sources including Federal, Territory and Shire borrowings or grants, property caveats, water usage levies, etc.

Who Is It For?

Every. Single. Ratepayer!

Every. Single. Resident!

Every. Single. Business Owner (Employer)!

Current Approach

Sit on our hands and do nothing. Wait for someone else to do it.

Priorities For 2020/21

1. Engage with Power and Water to explain what we want to do and to request their assistance.
2. Contract with a consultant who can determine the project scope and cost, then request them to prepare a report for funding consideration.
3. Present the report to ratepayers and residents with a recommendation on how the community should proceed.

General Tasks And Activities

1. Retain on Council meeting agenda each month so progress can be evaluated and maintained.
2. Jump every hurdle presented!
3. Do not drop the ball!

Performance Indicators

1st Quarter - Engagement with Power and Water has been undertaken.

2nd Quarter - a consultant has been engaged to prepare a project scope/costing.

4th Quarter - a report has been prepared and submitted to the community for consideration and to determine the next step.

Other Comments

Given that it is 2020, that we do not have reticulated water to properties is a major shortcoming for this community. It impacts on the quality of life. It impacts on the saleability of properties. And in most other Australian community it is a given.

No one is going to come and do it for us we have to take the lead. Wagait Shire Council is best placed to do that. No other entity will be able to do so.

The issue of a reticulated water supply throughout the community must not be confused with water delivery to Cox Peninsula. They are separate issues. Irrespective of where our water comes from it still has to be reticulated to individual properties at some stage. That should be sooner rather than later. It will be an expensive project, but it will never be cheaper in the future than it will be now.

Renita, I am happy to discuss any of the above or even other aspects of the shire's business plan (I have other thoughts about where it could be improved/refocussed however just do not have the time to document these at present).

Hope it all makes sense.

Regards

Chris Chaplin

P 08 8978 5008
M 0427 701 036
F 08 8978 5076

Council: Wagait Shire Council

Released on 19/06/2020

Submission closes: 10/07/2020

Our Ref: HCD2017/01825

Renita Glencross
Chief Executive Officer
Email: council@wagait.nt.gov.au
Cc: ceo@wagait.nt.gov.au

Dear Ms Glencross

Every year the Department of Local Government, Housing and Community Development provides feedback on Council's draft Plan. This is not a formal submission, rather it is our contribution to assist the Council in its planning and budgeting process.

To comply with the local government legislation there are a few matters we have identified, under the heading "Legislative Requirements", which we suggest should be address before Council adopts its Plan for 2020/21.

To also assist, during our reading of the Council's draft Plan where we come across any grammatical or typographic errors or potential inconsistencies we have identified those areas under the heading "Suggested Edits". Any other related matters to note, we have listed under the heading "Other Things to Note".

Should you have any queries on the matters mentioned in this email, please contact lg.compliance@nt.gov.au.

Yours sincerely

The Sustainability and Compliance Team.

COMMENTS:

Legislative Requirements

- The Shire plan did not contain or incorporate by reference the council's long-term financial plan which is a requirement under section 23(1)(b)(ii) of the *Local Government Act 2008*;
- A long-term financial plan must relate to a period of at least four financial years as required by section 126(2) of the Act;
- The long-term financial plan needs to include a statement of major initiatives per section 126(3)(a) of the Act;
- The long-term financial plan needs to include projections of income and expenditure for each financial year per sSection 126(3)(b);
- The council's proposals for the repair, maintenance, management and development of infrastructure are to be included in the long-term financial paln as required by sSection 126(3)(c);
- Council is required to state the amount it proposes to raise by way of rates and also set out the rates structure as per section 127(2)(d) of the Act. Although the total rates amount was set out in the budget, the Council is required to disclose a rates structure and this will need to be included in Council's final plan.

Suggested Edits

- Page 5 – where it mentions “submissions have been sought on the draft Local Government Bill and By-Laws coming into effect in the near future” perhaps this could be updated to show that Council's Dog Management By-Laws were approved on 7 November 2019 and that the *Local Government Act 2019* was passed by the Legislative Assembly in November 2019 and will commence on 1 July 2021.
- Page 11 – under subheading “Performance indicators” third dot point, include the missing letter ‘h’ to then read “within”.
- Page 14 – under subheading “Priorities for 2020-21” correct the misspelt word “raods”.
- Page 18 – under subheading “Current approach” we suggest providing the full text for the abbreviation ‘RUA’ to help the reader.

Other Things to Note:

Rates declaration – our review of Council's draft Plan does not include commenting on the Council's rates declaration. We separately encourage your Council to seek legal advice when preparing the rates declaration.

Citation of legislation - Due to recent amendments to the *Interpretation Act 1978*; Northern Territory legislation referencing is to include the year of enactment, for example *Local Government Act 2008*. Though we encourage this citation approach, any existing references are not legally incorrect due to transitional protection that has been included.

Early payment allocation of the 2020/21 Financial Assistance Grant – As a boost for local government the Australian Government has brought forward the Financial Assistance Grant payments. The early payment allocated to the Council is \$33,013 representing \$3,976 for General Purpose and \$29,037 for Roads. The Council should take into consideration the impact the early payment of 2020/21 financial assistance grants may have on their 2020/21 budget.

Wagait Shire Council
62 Wagait Tower Road
Wagait Beach NT 0822

Long Term Financial Projections

2018 - 2022

	Budget 2017/18	Plan 2018/19	Plan 2019/20	Plan 2020/21	Plan 2021/22	NOTES
OPERATIONAL INCOME						
RATES	\$221,625	\$227,000	\$231,000	\$235,000	\$240,000	5
GRANTS	\$302,300	\$308,300	\$314,400	\$320,700	\$327,100	1
CONTRACTS	\$121,800	\$124,000	\$126,400	\$129,000	\$131,500	
RENTAL INCOME	\$2,640	\$2,640	\$2,770	\$2,770	\$2,900	
OTHER INCOME	\$36,150	\$38,700	\$13,000	\$14,000	\$15,000	
WASTE MANAGEMENT LEVY	\$116,400	\$116,400	\$119,000	\$119,000	\$121,300	7
Total Income	\$800,915	\$817,040	\$806,570	\$820,470	\$837,800	
OPERATIONAL EXPENSES						
ADMINISTRATION EXPENSE	\$95,800	\$97,000	\$98,000	\$100,000	\$102,000	
EMPLOYMENT EXPENSE	\$364,300	\$391,200	\$410,760	\$431,298	\$452,863	
ROADS	\$122,100	\$106,000	\$40,000	\$40,000	\$40,000	2
CONTRACTS & MATERIALS	\$5,100	\$2,850	\$2,993	\$3,142	\$3,299	
REPAIR & MAIN TOWN ASSETS	\$57,700	\$19,100	\$29,055	\$47,150	\$32,000	4
VEHICLE & PLANT	\$18,400	\$66,090	\$15,000	\$15,750	\$42,000	
GRANT EXPENSES	\$3,000	\$3,100	\$3,200	\$3,300	\$3,400	
OTHER OPERATIONAL COSTS	\$120,500	\$120,500	\$119,000	\$119,000	\$121,300	6
SERVICES	\$13,900	\$10,300	\$10,500	\$10,700	\$10,900	
TOTAL EXPENSES	\$800,800	\$816,140	\$728,508	\$770,340	\$807,762	
Net Operational Income	\$115	\$900	\$78,063	\$50,130	\$30,038	
Capital Expenditure	\$0	\$0	\$0	\$0	\$0	
Other Expenditure	\$0	\$0	\$50,000	\$50,000	\$30,000	3
Net Income	\$115	\$900	\$28,063	\$130	\$38	

Major Initiatives items proposed

The Wagait Shire Council has identified a vast number and range of infrastructure projects that it would like to see implemented over the coming 10 years.

The majority of these are subject to successful funding applications, and others are infrastructure outside the Council's scope that it will continue to advocate for.

Council will continue the road shoulder remediation program commenced in 2015 / 16

An amount of \$122,100 has been allocated in the budget for 2017 / 18 and consists of \$53,100 FAA roads and \$69,000 R2R funds

Council will continue to work with nearby councils to utilise shared services

Other expenditure in 2019 / 20 allow for implementation of projects identified in Strategic Plan which is being updated following planning meetings to be held in 2017/18

Underlying assumptions

Three year upgrade and replacement program commencing in the 2017 / 18 financial year

Rates will increase by 2% each year.

Kerbside Waste collection ongoing. Hard waste disposal will continue on a 3 monthly program.

Waste levy income increased by 2% every second year

1

2

3

4

5

6

7

Comments on the Wagait Shire Plan and Budget 2020/21

Introduction

The style of the 2020/21 shire plan mimics that first written in 2008/09. The plan needs an overhaul to meet contemporary business practice. It is loosely based around programs/services but the budget is not laid out in the same way.

I understand council has limited resources to undertake a complete review but it could improve council transparency and meet any new requirements under the Local Government Act.

In 2018 the audit committee recommended a review of the Key Performance Indicators. If this occurred there is little evidence of change in this plan. In previous comments on shire plans I have also suggested an overhaul of KPI's. The KPI's would be improved if they were outcome focused rather than task focused, should be simple, with easily collectable data.

Budget

Firstly, I would comment that this budget has been presented to the community with clarity and openness similar to that of years prior 2017 to 2019.

The draft plan budget is not program based as is common in other plans (eg Belyuen/Coomalie) and was recommended by the audit committee in the past. Program based budgeting allows the community to see the activities and the spending on that activity eg weed management. The original 2008/09 plan had a budget (income and expenditure) detailed on each page for the function/service.

If the requirements of the Local Government Act have changed the way the budget is presented then perhaps the plan needs also to be presented differently.

The estimate applied to income from interest is high compared to what may be realistically expected from that source.

There appears to be no estimate from income derived from the investing of the \$1.5 m reserves.

I note the new spreadsheet tables 1-4 and the introduction of depreciation as an expense item. Should this expense item be added back into reserves? Also noting there are no financial allocations made under the reserves table 4 – Budgeted movement in reserves, yet I understand at least \$150,000 will be transferred from there in 2020/21.

Reserves

Small councils like ours struggle to prepare for the costs of large infrastructure requirements eg our roads, and asset replacement/maintenance. Past council foresight has slowly built a reserve fund for this purpose.

Unfortunately, in the last 2 years it has been assumed that it is OK to take funds from reserves (the war chest as some refer to it) to top up small one-off grant funded projects or top up other shortfalls.

Comments on the Wagait Shire Plan and Budget 2020/21

I notice this practice is still embedded in the current plan in order to attract outside funding.

A practice I would suggest may not be fiscally responsible in the long term given the requirement for asset replacement/maintenance.

The 2017/18 shire plan approved the establishment of the reserve fund of \$500,000 for projects identified in the WSC strategic. It stated the reserves would cover the following:

- Asset reserve;
- Infrastructure reserve;
- Plant and Vehicle reserve;
- Election Reserve; and
- Provisions for staff eg Long Service leave.

A policy has been developed to guide reserve funds use - P16 adopted in April 2017. That policy requires the publication of the reserves and how much is allocated to each purpose. I don't see this in the current plan.

I think it is critical that council publish what it has set aside for these purposes so that residents don't look at the \$1.5m and assume it is OK not to raise rates or spend without detailed consideration. This fund in fact needs to grow.

Employment expenses

I note that some staff are identified as "casual". Industrial precedent for an employee on regular hours but working less than fulltime is they are permanent part time, and eligible for holiday/sick leave and superannuation. I strongly recommend you review your employment practice of casual employees (unless they are truly casual and are called in on ad hoc basis only) and budget for them as permanent part time staff eg your cleaner. See Fair Work Ombudsman determination of 12/12/2017.

Contracts

Commercial contractual income over a number of years has been a mainstay of financial viability for this council.

There is very little reference in the 2020/21 draft shire plan detail to seeking and searching out other commercial revenue streams. Where it is mentioned it is an increase of 10% under 7.7 and 5% under 7.3.

Functions and activities-comment

Initiatives in the budget that don't seem to be detailed in the shire plan

- Building upgrade for library/chambers (could be listed under 1.2 page 12) even though referred to in 3.1;
- Road to green waste could be included in 1.3 page 13;
- Welcome to Wagait signage could be listed under 3.2 or 3.5; and
- Signage to prevent vehicular traffic on the sports ground oval.

Comments on the Wagait Shire Plan and Budget 2020/21

Outstanding initiatives in previous shire plan(s)/comments that do not appear to have been reconsidered in this plan nor a budget allocated :

- Plant low maintenance natives at Cloppenburg Park;
- Infrastructure maintenance including replace guttering, painting the Cloppenburg Park toilets block;
- Repair surface of tennis court; and
- Repair and maintain fitness equipment around the sports ground.

It is interesting under 3.5 mention is again made of the dump point and caravan park leaving open further discussion on this topic. The tensions between retaining our rural lifestyle and developing economic interests is acknowledged, but we are part of a wider region in which some of these initiatives can be considered eg dump point at Berry Springs exists and caravan park on Charles point has been discussed.

A critical issue for future sustainability of council is to extend its rate base and this is addressed in the plan through advocacy and representation but I think the issue goes beyond that and on a broader note I would like to see in the plan advocacy for a local area plan (to control development in Wagait and on the peninsula) and discussions regarding a future waste transfer station for the region.

The last 2 shire plans and the current draft shire plan indicate that council will establish a best practice asset maintenance schedule and the schedule will include an annual asset inspection report. Have those schedules been prepared? Was an annual inspection report provided so council could make an informed decision on maintenance spending? If not how did council set the priority for funding in the current draft shire plan and budget?

During 2018 the council introduced CCTV and plans to extend it this coming year. There is no council policy on its use nor a policy to protect the privacy of the staff and community. This policy should be developed and also policy P30 reviewed. This could be included as an activity under one of the service plans eg Records management or Risk management and included in the shire plan as a proposed activity.

One of the critical activities of council is to communicate what its business is to the residents and any initiatives that may be considered. It currently does this in several ways eg notice boards (roadside, council/shop), e-news, facebook and web page. Unfortunately, this messaging is not consistent across all platforms eg a notice may be put on facebook but then not posted on the web or shop. Or the e-news comes out but again it is not posted to web. Two alternate forms of communications that could be considered are mail outs and SMS messaging. Either way all platforms need to carry the same information at the same time. I notice this is partially addressed under 4.3.

Comments on the Wagait Shire Plan and Budget 2020/21

Suggestion(s)

That council review the 2020/2021 draft shire plan and budget and:

- In the 2021/22 revise and redesign the shire plan/budget to accommodate programs and program based budgets/and or new LGA requirements, and review the supporting KPI's;
- Review the employment of staff as casual employees rather than permanent part time to ensure current industrial and legislative requirements are met;
- Establish as a matter of priority a best practice asset maintenance (Property and Plant) schedule and undertake an annual asset inspection, providing the report to council/community to consider funding priorities;
- Publish the allocations for each of the activities identified as part of the reserve funds; and
- Develop and adopt a policy on the use of the CCTV.

On a minor point there are some acronyms that are not explained eg SCALE, LCRI, QRS.