

8.0 CHIEF EXECUTIVE OFFICER'S DIVISION REPORTS

ITEM 8.1	DELIVERY PROGRAM 2018 - 2021, OPERATIONAL PLAN AND BUDGET 2018/19, FEES AND CHARGES AND RESOURCING STRATEGY
REPORTING MANAGER	CHIEF FINANCIAL OFFICER & EXECUTIVE MANAGER TRANSFORMATION & PERFORMANCE
TRIM FILE REF	2018/318337
ATTACHMENTS	<ol style="list-style-type: none">1 ☞ Submission Summary by Issue (Included In Attachments Booklet)2 ☞ Revised Delivery Program 2018-2021, Operational Plan and Budget 2018/19 (Included In Attachments Booklet)3 ☞ Proposed Changes to Delivery Program, Operational Plan and Budget (Included In Attachments Booklet)4 ☞ Revised Fees and Charges 2018/19 (Included In Attachments Booklet)5 ☞ Proposed Changes to Fees and Charges 2018/19 (Included In Attachments Booklet)6 ☞ Revised Resourcing Strategy 2018-2028 (Included In Attachments Booklet)7 ☞ Proposed Changes to Resourcing Strategy 2018-2028 (Included In Attachments Booklet)

EXECUTIVE SUMMARY

PURPOSE

To consider submissions received during the public exhibition of the Draft Delivery Program 2018-2021, Operational Plan and Budget 2018/19 (including Fees and Charges) and Draft Resourcing Strategy and seek Council's adoption of these documents.

SUMMARY

Council at its meeting on the 17 April 2018 approved the public exhibition of the draft Delivery Program 2018-2021, Operational Plan and Budget 2018/19 (including Fees and Charges) and Draft Resourcing Strategy 2018-2028 for a minimum period of 28 days.

Community members were encouraged to make submissions through a combination of face-to-face consultation events and on-line submissions. This included a Delivery Program Roadshow of five community forums held during May 2018 (attended by 40 people); notices in the Manly Daily and Council's website; and emails to 21,500 community members on Council's community engagement register.

A total of 784 submissions were received, raising some 130 issues. The response to issues is provided at Attachment 1.

As a result of items raised in submissions, as well as new and updated information being available since the draft documents were placed on exhibition, a range of amendments are proposed.

The Northern Beaches Council budget for 2018/19 projects total expenditure of \$437.7 million, including a capital works program of \$109.9 million. It shows that our financial position is sound, with a projected Surplus before Capital Grants and Contributions of \$8.7 million.

The projected Surplus before Capital Grants and Contributions has changed from that exhibited in the Draft Operational Plan as follows:

	\$m
Surplus before Capital Grants and Contributions per Draft Operational Plan	8.944
Additional Rates from Supplementary Notices	0.413
Carpark lease income	0.326
Reduction in the NSW Reduction in the NSW Emergency Management Levy	0.405
Rollover from 2017/18 Procurement Training	(0.080)
Fairy Bower Sea Wall feasibility study	(0.100)
Increase in Depreciation of the Kimbriki Tip Asset	(0.742)
Increase in Amortisation of the Discount – Kimbriki Tip Remediation	(0.427)
Surplus before Capital Grants and Contributions	<u>8.739</u>

RECOMMENDATION OF ACTING CHIEF EXECUTIVE OFFICER

That:

- A. Council adopt the revised Delivery Program 2018-2021, Operational Plan and Budget 2018/19 at Attachment 2 which includes amendment shown at Attachment 3 to the draft document placed on exhibition.
- B. Council adopt the revised Fees and Charges 2018/19 at Attachment 3 to apply from 1 July 2018 which includes amendments shown at Attachment 5 to the draft document placed on exhibition.
- C. Council adopt the revised Resourcing Strategy at Attachment 6 which includes amendments shown at Attachment 7 to the draft document placed on exhibition.
- D. Council make the following rates and charges:
 - a. In accordance with Sections 494 and 495 of the *Local Government Act 1993* (the Act), Ordinary and Special Rates are made as shown in Tables 1, 2 and 3 in this report;
 - b. In accordance with section 496 of the Act, Domestic Waste Management Charges are made as shown in Tables 4, 5 and 6 in this report;
 - c. In accordance with section 496A of the Act, Stormwater Management Service Charges are made as shown in Table 7 in this report;
 - d. Works on private land carried out by Council to be charged at the appropriate commercial rate (cost of the works and standard on-costs to provide full cost recovery plus a return to Council); and
 - e. In accordance with Section 611 of the Act 1993 a charge on the person for the time being in possession, occupation or enjoyment of a rail, pipe, wire, pole, cable, tunnel or structure laid, erected, suspended, constructed or placed on, under or over a public place.
- E. Council adopts an interest rate of 7.5% to be charged on overdue rates and charges.
- F. Council may carry out work on private land, either on request or by agreement with the owner of the land, or under relevant legislation.

REPORT

BACKGROUND

At its meeting on 17 April 2018 Council considered the Northern Beaches' suite of Integrated Planning and Reporting documents (IP&R). Council adopted the revised Community Strategic Plan and resolved that:

- A. The following be placed on exhibition for a minimum of 28 days:
 - a. Delivery Program 2018-2021, Operational Plan and Budget 2018/19 (including Fees and Charges 2018/19).
 - b. Resourcing Strategy - Long Term Financial Plan, Workforce Management Plan and Asset Management Strategy.
- B. A special briefing be brought to Councillors prior to community consultation closing to create more aspirational outcomes in improving delivery services.

The documents were exhibited in accordance with s404-405 of *Local Government Act 1993*. The report outlines the exhibition, summarises the key feedback, and provides further detail and explanation including recommended changes.

EXHIBITION

Promotion

The exhibition was open for 31 days, from 26 April to 27 May 2018. The draft IP&R documents were available online, at Council libraries, and Customer Service Centres. They were also available at five Delivery Program roadshow information sessions.

The exhibition, Delivery Program roadshows and avenues for submissions were widely promoted by Council via:

- Notices in the Manly Daily on 28 April, and 5, 12, 19 and 26 May 2018 reaching an estimated 210,000 adult readers
- Information on Council's website and social media
- Direct emails to people on Council's community engagement register on 4 May (to 20,805 people) and 25 May (to 19,594 people)
- Direct emails to 1,200 participants of Stage One engagement
- Direct emails to over 500 regular hirers of Community Centres (notification of changes in fees)
- Five Delivery Program roadshows (one per Ward) where staff presented the Budget and program of works, followed by Q&A session. These were held on 7, 9, 14, 17 and 24 May.

In addition, local media also raised awareness of the opportunity to comment on the draft Delivery Program and related documents. Articles appeared in the following:

- Manly Daily - 21 and 28 April
- Peninsula Living - 30 April
- Daily Telegraph - 20 and 25 April and 16 May
- 2GB Radio - 2 and 4 May.

Community Engagement

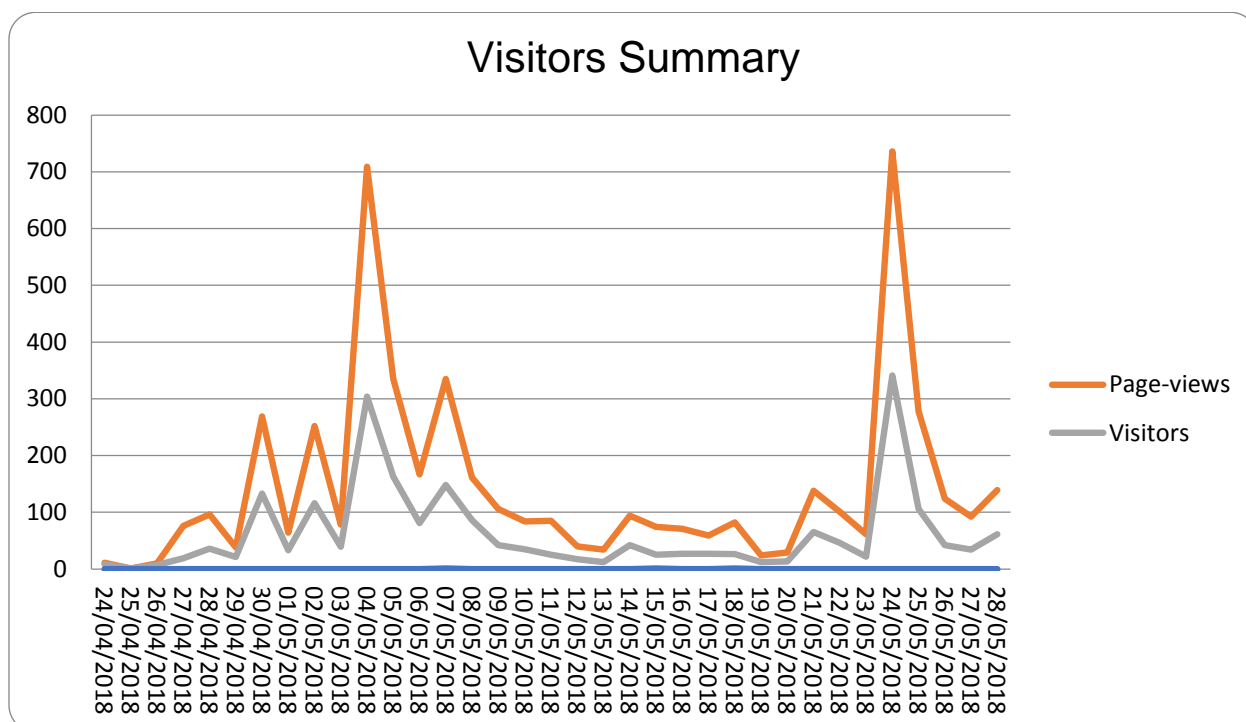
Online a dedicated project page was established on Your Say. It included the draft documents, details of the Delivery Program roadshows, a submission form and instructions on how to make a longer submission.

Engagement figures are:

- 40 people attended the five Delivery Program roadshows - one at Belrose, four at Dee Why, 22 at Manly, eight at Newport and five at Narrabeen
- 17,003 people on Council's Community Engagement Register viewed the direct emails and 334 used the link to view the Your Say page
- 2,480 Your Say project page visits by 1,916 people
- 1,035 document downloads by 851 people, comprised of the Delivery program (618), Fees and Charges (324) and Resourcing Strategy (93).

Most of the online activity was in the first and final weeks of the exhibition. This was stimulated primarily by direct emails from Council, and notices in the Manly Daily. The greatest activity resulting from Facebook content occurred on April 28-29 and May 21-22. More activity also aligned with the start of Roadshows (7 May) and the close of exhibition (May 23-26).

Figure 1: Your Say project page activity



This online activity does not reflect emails that were sent directly to Councillors. It would appear that very few people sending these emails visited the project page or downloaded documents.

Submissions

A total of 784 submissions were received from individual community members. The submissions were received via:

- 39 online submission forms. Of these, 44% were well informed through their participation in community engagement. Eleven (11) participated in 2017 to help develop the draft Delivery Program. Six (6) attended a roadshow session in May 2018 during the exhibition

- 44 emails to Council, of which two (2) had attended a roadshow session in May 2018
- 701 emails to Councillors (supplied by Councillor Amon). Of these, 572 were identical emails of two types opposing a rate rise: "I oppose the rate rise" and "Submission on Delivery Plan and Rate Hike". The second type also opposed a \$700,000 discretionary advertising budget

Most (67%) of these 701 emails were received prior to 26 April when the exhibition commenced.

The actual number of submissions was higher at 952 but individuals made multiple submissions (168 occasions) either in the same terms, or raising new issues. Any new issue was captured and considered.

CONSIDERATION OF SUBMISSIONS

The submissions raised 130 separate issues. A detailed list of the issues is at Attachment 1 - Submission Summary by Issue, and includes a response from Council. A high level summary below list the key issues and the number of times they were cited.

Issues	No. times
Delivery Program - IPART Rate Rise	739
Those objecting to the proposed rate rise raised the following:	
• Object to \$700,000 budgeted for discretionary advertising	209
• Merger benefits should have resulted in a rates freeze	77
• Council should reduce its spending and live within its means	41
• Concerned with their capacity to pay for the increase	21
• Concerned about excessive/wasteful spending	15
• Other sources of income should be relied on other than rates	8
Delivery Program – Other	
• Transport and Active Travel	60
• Budget	19
• Delivery Program exhibition	10
• Parks and Recreation	14
• Environment and sustainability	19
• Community, Arts and Culture	10
• Other services	13
Fees and Charges	41
Workforce Plan	8
Asset Management Strategy	5
Long Term Financial Plan	2

Delivery Program - IPART Rate Rise:

The draft Budget 2018/19 provided for a 2.3% increase in general rate revenue. A total of 739 submissions addressed the rate rise, the most received. Of the submissions on the rate rise:

- Six supported
- 33 wanted to know the justification
- 700 opposed

The bulk of the submissions opposed to the rate rise were received via Councillor Amon. Of these 572 submissions were identically worded (two types of form emails).

The proposed rate increase is to cover increasing costs that all councils experience for goods and utilities, and to ensure continuation of current Council services. It reflects the rise in costs to Council of things such as water and electricity which are required to provide services to the community. The increase of 2.3% is in line with NSW Government's Independent Pricing Tribunal (IPART) determination the rates cap which is based on the Local Government Cost Index.

A change to the proposed 2.3% rate increase is not supported. As noted earlier, the exhibition was heavily promoted by Council via Council's Community Engagement Register (reaching 20,000 people) and Manly Daily (250,000 readership) as well as other channels. This was further boosted by print and radio media running stories on the rate rise. While there is some community concern regarding the increase, it is not reflective of the broader community sentiment that Council will maintain existing services levels, continue to delivery priority community infrastructure and redirect savings into improved services and facilities. This came through strongly during the engagement to develop the Community Strategic Plan and the initial engagement in October/November 2017 on the Delivery Program.

Further, for many residents their annual charges from Council will actually decrease due to significant savings Council has been able to make in the waste collection contracts. The IPART rate cap increase will be \$30 a year for residents on the average rate which is \$1,399 to \$1,430. Meanwhile, the average domestic waste charges for a standard 80 litre service will decrease from \$516 to \$465. This amounts to an annual savings of \$20 for the average resident rate.

Those that objected to the rate rise raised the following:

- Object to \$700,000 budgeted for discretionary advertising – 209 (in a form email)
- Merger benefits should have resulted in a rates freeze - 77
- Council should reduce its spending and live within its means - 41
- Concerned with their capacity to pay for the increase - 21
- Concerned about excessive/wasteful spending - 15
- Other sources of income should be relied on other than rates - 8

Each of these issues is dealt with briefly below, with a comprehensive response at Attachment 1.

Council delivers 16 key services and hundreds of annual programs, activities, events and projects to the community. It is vital that all ratepayers know what is being provided, and how they and their families can engage with these services. Advertising in print, online, social, digital, radio and other channels is an effective way to reach as many people as possible. With an ever-changing digital landscape, there will be opportunities to explore more cost-effective ways of promoting these services, events and programs to our diverse community.

Council has resolved to apply efficiency savings from the creation of Northern Beaches Council to projects that directly benefit the community. The focus is on building a strong Northern Beaches rather than offsetting spending in other operational areas. To date funds have been allocated to high priority community projects for youth, arts, and environment and community grants. Council has also received \$36.1 million in grants from the NSW government's Stronger Community Fund to kick start the delivery of projects that improve community infrastructure and services. These funds cannot be used to offset a rate rise.

The term 'rate freeze' relates to the NSW Government's commitment to freeze the existing rate pathways for amalgamated Council's until 2020. This means that ratepayers in new councils will pay no more for their rates than they would have in their pre-merger council area for four years. This commitment remains unchanged and is reflected in the IPART rate cap.

By taking up the IPART rate cap Council is living within its means while maintaining existing service levels to the community and ensuring its' financial sustainable over the longer term. By increasing rates in accordance with the IPART rate cap Council is ensuring residents are not faced with a special rate variation in the outer years of the 10 year Long Term Financial Plan to maintain existing services.

Council has a Rates and Annual Charges Hardship Policy. The policy recognises owners may at times encounter difficulty in paying rates and charges as they fall due, or adhere to a regular payment arrangement. Contact should be made with the Rates Section if ratepayers are experiencing difficulties.

Delivery Program – Other Issues and Changes

A range of issues were raised and summarised below with a comprehensive response at Attachment 1.

Delivery Program – Other	No. times
Transport and Active Travel	60
• Transport	(16)
• Public transport	(13)
• Roads and traffic	(13)
• Active travel	(11)
• Parking	(7)
Budget	19
Delivery Program exhibition	10
Parks and Recreation	14
Environment and sustainability	19
Community, Arts and Culture	10
Other services	13

People that completed the online submission had an opportunity to indicate whether the key priorities and projects would make a difference in improving the Northern Beaches. Of the 39 submission received online, 31 completed this section and this is shown at Figure 2.

Figure 2: Agreement that key priorities and projects would make a difference (31 respondents)

Agreement	No.	% respondents
Agree/ Strongly agree	11	35%
Neutral	15	48%
Disagree/Strongly disagree	5	16%

Statements of support were also provided in relation to programs and project summarised below:

- Transport programs (24) -. Transport Strategy, road and parking upgrades, footpaths and cycleway upgrades, the Coastal walkway and art trail and Narrabeen Lagoon aquatic boardwalk
- Environment protection and sustainability (7)
- Planning programs (12) - place planning and sustainable precincts, affordable housing Crown Lands transfer program and Aquatic Reserve Masterplan
- Foreshore planning and facilities (4) - Pittwater Waterway Review, Surf club upgrades and beach amenities
- Libraries (1).

In response to the issues raised in submissions, the following changes are proposed in summary:

- A new section - Northern Beaches Council: Building Our Future be added to the Delivery Program. This will highlight various programs underway to harmonise or improve services and deliver efficiencies, as well as how savings are being applied to meet other community priorities. It will also provide an opportunity to report Council's progress in a single place in the Annual Report.
- A table be included listing the projects and programs that will be funded from the Special Rate Improvement Program for former Pittwater Local Government Area .
- Various changes to improve the navigations and readability of the document.
- Transport priorities were raised on a number of occasions. These submissions will be considered in the development of the Northern Beaches Transport Strategy in 2018/19.
- Requests were made for improvements at Clontarf Reserve, Palm Beach landscaping plan and North Harbour Reserve and amenities. These works are incorporated into the program (no change required) and funded from operational budgets of the service.
- A number of submission (four) requested information be presented on a Ward geographic area. The capital works program 2018/19 will be provided spatially via an online map. It will be available by 1 July 2018 and show the location of various capital projects being delivered across the Northern Beaches. This facility is currently available for the 2017/18 work program.

In finalising the Delivery Program, Operational Plan and Budget, the changes at Attachment 3 are recommended.

Fees – Issues and Changes

Various issues were raised in relation fees. The number of times they were raised is as follows:

- Community Centres -19
- Parking - eight
- Outdoor dining - five
- Aquatic Centre - three
- Support for fee harmonisation - two
- Governor Phillip Park, Palm Beach – two
- Sporting fees - one
- Development fees - one

A comprehensive response to each issue is at Attachment 1 and a brief comment on some issues is made below.

The community centre fees commence as of 1 January 2019. The fees were reviewed for consistency and equity across the centres. As a result the concession rate has been merged and hirers will be eligible for this rate provided they meet the criteria under Councils Terms & Conditions for Seniors, Disability, Youth and Community Support groups and activities. Fees are benchmarked internally and across other Councils. All community centre hirers pay fees and these are considered affordable for the community to hire the spaces. The fees go back into the costs of maintaining the centres, operational costs including utilities, cleaning and waste.

A change is supported to the Curl Curl Sports Centre fees based on a review of the level of fees for other sporting associations. Manly Warringah Netball Association is the key user of the daily fee and it is recommended that from 1 January 2019 the daily fee be set at \$50, up from \$49 per day.

The increase in parking fees is to ensure a consistent and equitable fee structure across the Northern Beaches. The day rates are increasing in order to encourage turnover.

The proposed fees for outdoor dining are based on an independent valuation assessment, which reflect movements in the local market. Most increases range from 1% to 15% depending on location.

The Manly Andrew Boy Charlton (MABC) Annual Family Pass is low; as it historically was a seasonal pass prior to the upgrade of the Centre. This will be amended in the future to better reflect the pass' value. It is intended to align the fees of the aquatic centres in the future once the services have been more fully integrated.

While the fees were on exhibition a further review was undertaken by staff. As a result changes are recommended at Attachment 5 and are summarised below:

- Amendments to correct errors in fees
- Amendments in description and fee amounts to reflect statutory changes
- To provide more flexibility in planning proposal fees
- Adjusting Glen Street Theatres box office fees from a financial year to a calendar year and adjusting the pricing strategy to increase audience numbers.

Resourcing Strategy – Workforce Plan

A total of eight issues were raised in three submissions. Largely the writer(s) were seeking additional information or making a statement regarding:

- Staff conditions
- Recruitment principles
- Northern Beaches remuneration framework
- Productivity improvements
- Council's staff establishment
- Vacancy assumption
- Statistics for sick leave
- Full time equivalent for casuals

A response to each issue is at Attachment 1.

In finalising the Workforce Plan, the minor changes at Attachment 7 are recommended to correct a typographical error and adjust two graphs.

Resourcing Strategy – Asset Management Strategy

A total of five issues were raised in two submissions covering the:

- The inclusion of natural assets
- More detail on the capital budget with split between new and renewal is required
- Prioritisation of new assets
- Community involvement in prioritising maintenance and renewals
- Reporting

A detailed response to each issue is at Attachment 1.

Minor changes are recommended in finalising the Asset Management Strategy at Attachment 7 and relate to updating the asset revaluation table plus minor wording changes.

Resourcing Strategy - Long Term Financial Plan (LTFP)

One submission requested more information in regards to long term changes resulting from amalgamation:

- Details on the amalgamation savings and amalgamation costs
- Details on what productivity improvement is expected and planned for, to drive and productivity improvement culture.

A comprehensive response to these is at Attachment 1.

In finalising the Long Term Financial Plan changes at Attachment 7 are recommended to reflect the revisions to the budget and financial forecasts discussed in the next section.

Councillor Briefing 19 May 2018

In accordance with the resolution of Council on 17 April a special briefing was held with Councillors on the 19 May on the Delivery Program. A range of changes were discussed and have been incorporated in the changes to the Delivery Program 2018-2021, Operational Plan and Budget 2018/19 summarised at Attachment 3.

The Performance Measures in the revised Delivery Program will be updated once data is available. The Target 2018/19 for the majority of Performance Measures is the Baseline result for 2017/18 year. The information on 2017/18 performance will not be available until July, and the online version of the Delivery Program will be updated at that time.

The Satisfaction Measures in the revised Delivery Program also include targets. The target is the 2017 Satisfaction Survey score. The 2018 survey is currently being undertaken. If the results from the most recent survey is higher than this will be the target for 2018/19. The 2018 survey results will not be available until July, and the online version of the Delivery Program will be updated at that time.

BUDGET 2018/19

Budget Overview

The Northern Beaches Council budget for 2018/19 projects total expenditure of \$437.7 million, including a capital works program of \$109.9 million. It shows that our financial position is sound, with a projected Surplus before Capital Grants and Contributions of \$8.7 million.

IPART approved General Revenue Increase

IPART have allowed a maximum rate increase to the total general-purpose rate income for 2018/19 of:

- Former Manly Council properties – 2.3%
- Former Pittwater Council properties – 2.3%
- Former Warringah Council properties – 2.3%

Consistent with the Local Government (Council Amalgamations) Proclamation 2016 the rating structure and categorisation of land for rating purposes remains unchanged from the 2017/18 rating year.

It is recommended that Council adopt the maximum rate increase and in accordance with Sections 494 and 495 of the Local Government Act 1993, makes the following Ordinary and Special Rates for 2018/19:

Table 1: Ordinary and Special Rates 2018/19 – former Manly Council properties

Rate Name	Rate in \$	Minimum Rate
Residential	0.00119324	\$816.76
Business – Manly CBD	0.00621300	\$1,066.47
Business – other	0.00347631	\$1,066.47
Manly Business Centre Improvement	0.00212361	-
Balgowlah Business Centre Improvement	0.00141270	-

Table 2: Ordinary Rates 2018/19 – former Pittwater Council properties

Ordinary Rate Name	Rate in \$	Minimum Rate
Residential	0.00158360	\$884.58
Farmland	0.00061799	\$884.58
Business	0.00359840	\$1,129.39
Business - Warriewood Square	0.00389300	-

For rating purposes, land in the former Pittwater Council is categorised as residential, farmland or business. The business category has a further sub category of Warriewood Square. Properties covered by the Warriewood Square Sub-Category are shown in this map:



Table 3: Ordinary Rates 2018/19 – former Warringah Council properties

Ordinary Rate Name	Rate in \$	Minimum Rate
Residential	0.00152721	\$970.93
Business	0.00560496	\$1,246.56
Business – Warringah Mall	0.00999207	-
Business – Strata Storage Units	0.00677247	\$571.75

For rating purposes, land in the former Warringah Council is categorised as residential or business. The business category has a further two sub-categories – Warringah Mall Regional Shopping Centre Sub-Category and Strata Storage Units Sub-Category. Properties covered by the Warringah Mall Regional Shopping Centre Sub-Category are shown in this map:



Special Rate Variations/Levies

Environmental Works Program – Former Manly Local Government Area

The Environmental component of the rates was endorsed at a referendum held in conjunction with the Local Government elections in September 1999. The Environmental Rate Component funds projects identified in various Plans of Management, and studies for environmental protection, rehabilitation and education projects.

Council plans to continue to undertake a program of critical environmental works during the year. The net proceeds of the Environment Levy from General Purpose Rates (approximately \$1million including interest and after pensioner rebates) are to be expended on priority works which:

- Include visible environmental improvements (particularly water quality)
- Achieve significant outcomes in each 12 month period
- Provide environmental benefits across the whole of the former Manly local government area.

Further, the former Manly Council added an additional criterion addressing ongoing maintenance liabilities:

“That ongoing maintenance of new environment levy capital works projects be recognised as a legitimate charge against the levy and that up to 10% of the levy revenue be allocated for this purpose annually.”

The proposed expenditure of the special rate in 2018/19 is detailed below:

Bush regeneration	\$280,552
Coast and waterway management	\$185,210
Environmental sustainability and education	\$131,842
Natural hazards management	\$62,430
Biodiversity management	\$161,348
Employee costs related to the programs	\$208,150
Total	\$1,029,532

Special Rate: Manly Business Centre Improvement - Former Manly Local Government Area

This special rate is for the provision of ongoing and proposed capital and maintenance works, including the Manly Business Centre, The Corso and Ocean Beach Front. It is proposed to fully expend the special rate income of \$1,220,526 during the financial year.

Properties covered by the Manly CBD Business Rate and Manly Business Centre Improvement Special rate are shown in this map:



Special Rate: Balgowlah Business Centre Improvement - Former Manly Local Government Area

This special rate is for the provision of ongoing and proposed capital and maintenance works, including the off-street car parks in Condamine Street.

Properties covered by the Balgowlah Business Centre Improvement Special rate are shown in this map:



Special Rate: Improvement Program - Former Pittwater Local Government Area

In June 2011 the Independent Pricing and Regulatory Tribunal (IPART) approved the former Pittwater Council's application for a special rate variation (SRV).

This resulted in an increase in rates over three years (2011-2014) generating approximately \$39 million in funds for infrastructure works and environmental programs over a 10 year period.

A Community Contract was established to ensure accountability and transparency. The SRV is levied and spent on the basis of the Community Contract's following principles:

- Upgrade and retrofit infrastructure through carefully targeted, high priority 'on ground works'
- Schedule of projects to be incorporated into Pittwater Council's Annual Delivery Program
- Funding derived from the SRV will be distributed across the program of works over the 10 year period
- The Pittwater SRV will also support 'seed' funding within the works program
- Funding proportions may vary from year to year to achieve economic efficiency through the pooling of funds
- Reporting to be undertaken to ensure transparency.

The schedule of projects in Attachment 3 and the Delivery Program

Domestic Waste Management Charges

Domestic Waste Management Charges for 2018/19 reflect the proposed cost of the service.

In accordance with Section 496 of the Local Government Act 1993, it is recommended Council makes and levies the following Domestic Waste Management Charges for 2018/19:

Table 4: Premises in the former Manly LGA

Description	Charge/Fee \$	Income \$
Availability charge - vacant land	187	748
Domestic Waste Management Service (first or additional garbage bins)	536	10,059,648
Clean up – exceed two services and/or 3m ³ capacity	102	25,500
Supply of additional vegetation recycling bin	102	5,100
Total Income		10,090,996

Table 5: Premises in the former Pittwater LGA

Description	Charge/Fee \$	Income \$
Availability charge - vacant land	123	36,900
Availability charge - premises using private collection	123	103,566
Domestic Waste Management Service (including offshore)	518	12,515,996
Retirement villages	405	187,110
Supply of additional vegetation recycling bin	102	5,100
Total Income		12,848,672

Table 6: Premises in the former Warringah LGA

Description	Charge/Fee \$	Income \$
Availability charge - vacant land	95	47,025
Per 80 litre garbage bin (first or additional garbage bins)	389	13,954,986
Per 120 litre garbage bin (first or additional garbage bins)	581	12,488,595
Service increase fee - applies when delivering a larger capacity or additional bin, compared to base 80 litre service or existing service level	26	N/A
Supply of additional vegetation recycling bin	102	36,822
Total Income		26,527,428

Interest Charges on Overdue Rates and Charges

The Minister for Local Government has determined that the maximum rate of interest that may be charged on overdue rates and charges for 2018/19 will be 7.5%.

In accordance with Section 566(3) of the Local Government Act, it is recommended that Council adopts the maximum interest rate allowed and this be applied to all northern beaches properties.

Stormwater Management Service Charges – Former Manly and Pittwater (Only)

In accordance with Section 496A of the Local Government Act 1993, it is recommended that Council makes and levies the following Stormwater Management Service Charges for 2018/19:

Table 7: Stormwater Management Service Charges: Former Manly and Pittwater related properties

Stormwater Management Service Charge	Total Charge
Residential – single dwelling	\$25.00
Residential - strata lots	\$12.50
Business	\$25.00 per 350 square metres (or part thereof) for land categorised as business (excluding strata lots)
Business strata lots, business company title	\$5.00 or the relevant portion of the maximum annual charge that would apply to the strata scheme if it were a parcel of land subject to the land categorised as business

Section 611 Charges

That an annual charge under Section 611 of the Local Government Act 1993 be made and levied for the year commencing 1 July 2018 on the person for the time being in possession, occupation or enjoyment of a rail, pipe, wire, pole, cable, tunnel or structure laid, erected, suspended, constructed or placed on, under or over a public place.

Works On Private Land – Former Warringah Only

Council may carry out work on private land, either on request or agreement with the owner of the land, or under relevant legislation. The amount or rate to be charged will be the appropriate commercial rate – the actual cost of the works and standard on costs to provide full cost recovery plus a return to Council.

ADOPTION OF REVISED DOCUMENTS

Revisions have been made to the IP&R document placed on exhibition. It is recommended that Council adopt the:

- Revised Delivery Program 2018-2021, Operational Plan and Budget 2018/19 at Attachment 2 which includes amendment shown at Attachment 3 to the draft document placed on exhibition.
- Revised Fees and Charges 2018/19 at Attachment 3 to apply from 1 July 2018 which includes amendments shown at Attachment 5 to the draft document placed on exhibition.
- Revised Resourcing Strategy at Attachment 6 which includes amendments shown at Attachment 7 to the draft document placed on exhibition.

TIMING

In accordance with s404(3) and s405(1) of the *Local Government Act 1993* Council needs to adopted the Delivery Program 2018-2021, Operational Plan and Budget 2018/19 as well as the Fees and Charges by 30 June 2018.

FINANCIAL CONSIDERATIONS

The 2018/19 Northern Beaches Council budget projects a strong financial position with a total expenditure of \$437.7 million, including a capital works program of \$109.9 million; a Surplus from Continuing Operations before Capital Grants and Contributions of \$8.7 million; Cash and Investments of \$159.3 million; and Net Assets of \$4.8 billion.

SOCIAL CONSIDERATIONS

The Program allows Northern Beaches Council to continue to deliver community services and capital works. It is expected that there will be an overall positive social impact as a result of the Program, with benefits arising from expenditure on parks, playgrounds, road infrastructure, active travel, village and town centres in the 2018/19 financial year.

ENVIRONMENTAL CONSIDERATIONS

The Plan outlines a range of projects which will protect and enhance our natural environment through management of beach and coastal issues, implementing catchment management initiatives, and undertaking comprehensive environmental works in our urban and bushland settings. There will be a net positive benefit as a result of the planned investments into our environment, namely through upgrades of stormwater infrastructure throughout the local government area; and coastal and flood protection works across the local government area.

GOVERNANCE AND RISK CONSIDERATIONS

The adoption of the Delivery Program 2018-2021, Operational Plan and Budget 2018/19; Fees and Charges 2018/19 and Resourcing Strategy 2018-2028 is integral to the governance framework of Council. The CSP has been prepared in accordance with s403-405 of the *Local Government Act 1993* and the Office of Local Government's *Integrated Planning Report Guidelines for local government in NSW (March 2013)* and *Integrated Planning and Reporting Manual for local government in NSW (March 2013)*.