

Agenda

Special Meeting (Budget)

Tuesday, 11 June 2013

commencing at 9.00am

Council Chambers, Corner Currie and Bury Streets, Nambour

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1 DECLARATION OF OPENING

On establishing there is a quorum, the Chair will declare the meeting open.

2 RECORD OF ATTENDANCE AND LEAVE OF ABSENCE**3 OBLIGATIONS OF COUNCILLORS****3.1 DECLARATION OF MATERIAL PERSONAL INTEREST ON ANY ITEM OF BUSINESS**

Pursuant to Section 172 of the *Local Government Act 2009*, a councillor who has a material personal interest in an issue to be considered at a meeting of the local government, or any of its committees must –

- (a) inform the meeting of the councillor's material personal interest in the matter; and
- (b) leave the meeting room (including any area set aside for the public), and stay out of the meeting room while the matter is being discussed and voted on.

3.2 DECLARATION OF CONFLICT OF INTEREST ON ANY ITEM OF BUSINESS

Pursuant to Section 173 of the *Local Government Act 2009*, a councillor who has a real or perceived conflict of interest in a matter to be considered at a meeting of the local government, or any of its committees must inform the meeting about the councillor's personal interest the matter and if the councillor participates in the meeting in relation to the matter, how the councillor intends to deal with the real or perceived conflict of interest.

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4 REPORTS DIRECT TO COUNCIL**4.1 FINANCE AND BUSINESS****4.1.1 REVENUE POLICY 2013/2014**

File No:	SCRC Budget Development
Author:	Executive Director Finance and Business Finance & Business Department
Appendices:	App A - Revenue Policy 2013/2014

PURPOSE

A local government must review its Revenue Policy annually and in sufficient time to allow an annual budget that is consistent with the Revenue Policy to be adopted for the next financial year.

Section 169(2)(c) of the *Local Government Regulation 2012* requires that council include in the budget a Revenue Policy.

EXECUTIVE SUMMARY

A local government must review its Revenue Policy annually and in sufficient time to allow an annual budget that is consistent with the revenue policy to be adopted for the next financial year. The Revenue Policy 2013/2014 (**Appendix A**) per section 193 of the *Local Government Regulation 2012* sets out the principles used by council for:

- a) the levying of rates and charges;
- b) the granting of concessions for rates and charges;
- c) the recovering of overdue rates and charges; and
- d) cost-recovery methods.

When adopting the annual budget council set rates and charges at a level that will provide for both current and future community requirements and grant concessions for pensioners to assist property owners to remain in their own home. Council also provides concessions to charity organisations and community and sporting groups as they contribute to the health and well-being of the community.

The Revenue Policy also provides that when acting to recover overdue rates and charges council will be guided by the principals of equity, transparency and flexibility.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled “Revenue Policy 2013/2014” and**
- (b) in accordance with Section 193 of the *Local Government Regulation 2012* council adopt the Revenue Policy 2013/2014 (Appendix A) for inclusion in the annual budget.**

FINANCE AND RESOURCING

The framework does not place any financial and resourcing obligations on council, but provides the principles for revenue raising for the 2013/2014 budget.

The principals cover the key areas of:

- a) the levying of rates and charges
- b) the granting of concessions for rates and charges
- c) the recovering of overdue rates and charges and
- d) cost-recovery methods.

CORPORATE PLAN

Corporate Plan Theme: *Great governance*

Emerging Priority: 8.1 - Ethical, accountable and transparent decision-making

Strategy: 8.1.1 - Develop and implement a governance framework that provides transparent and accountable processes and enhances council's reputation

Corporate Plan Theme: *Great governance*

Emerging Priority: 8.1 - Ethical, accountable and transparent decision-making

Strategy: 8.1.2 - Ensure legislative compliance and awareness

Corporate Plan Theme: *Great governance*

Emerging Priority: 8.2 - Effective business management

Strategy: 8.2.1 - Develop indicators and measure the performance of council and the success in achieving its vision

CONSULTATION

Internal Consultation

Internal consultation was conducted within the Finance and Business Department.

External Consultation

No external consultation was required for this report.

Community Engagement

No community engagement was required for this report.

PROPOSAL

As part of the annual budget council is required to adopt a Revenue Policy which states the guidelines that may be used for preparing the local government's Revenue Statement, including the principles used by council in:

- a) the levying of rates and charges
- b) the granting of concessions for rates and charges
- c) the recovering of overdue rates and charges and
- d) cost-recovery methods.

A local government must review its Revenue Policy annually and in sufficient time to allow an annual budget that is consistent with the revenue policy to be adopted for the next financial year.

Legal

Section 169(2)(c) of the *Local Government Regulation 2012* requires that council include in the budget a Revenue Policy.

Section 193 of the *Local Government Regulation 2012* details what must be included in the Revenue Policy.

Policy

The Revenue Policy 2013/2014 states the guidelines that may be used in preparing the Revenue Statement.

Risk

No risks have been identified in relation to this report.

Previous Council Resolution

There are no previous council resolutions that relate to this report.

Related Documentation

Revenue Statement must form part of the annual budget.

Critical Dates

A local government must review its Revenue Policy annually and in sufficient time to allow an annual budget that is consistent with the Revenue Policy to be adopted for the next financial year.

Implementation

The Revenue Policy sets out the principles for the making and levying of rates and charges for the 2013/2014 financial year.

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4.1.2 REVENUE STATEMENT 2013/2014

File No: SCRC Budget Development
Author: Executive Director Finance and Business
Finance & Business Department
Appendices: App A - Revenue Statement 2013/2014

PURPOSE

To seek council endorsement of the Revenue Statement 2013/2014.

EXECUTIVE SUMMARY

Section 169(2)(b) of the *Local Government Regulation 2012* requires council to include a revenue statement in the annual budget. The revenue statement is an explanatory statement, detailing the revenue measures adopted in the annual budget.

Section 172 of the *Local Government Regulation 2012* details what must be contained in the revenue statement and Section 193(2) states that the guidelines for preparing the revenue statement may be included in the Revenue Policy.

The key inclusions in the attached Revenue Statement include:

- An overall general rate increase of 5%
- A 7.4% increase in the cost for a 240 litre wheelie bin, and a 14.8% increase in the cost of a 140 litre wheelie bin. These increases are in line with a three year full cost pricing path for all wheelie bin services
- No increase in key levies such as the environment, public transport and heritage
- Continuation of the standard pension concessions as implemented in the 2012/13 financial year with a total budget of \$3.8 million and
- Continuation of the early payment discount, valued at \$8.8 million.

Department of Natural Resources and Mines (DERM) issued new annual valuations in March 2013 to the Sunshine Coast, with an effective date of 1 July 2013. The overall decrease was 6% for the region, which has been incorporated into the differential general rate categories and the valuation based special rates.

OFFICER RECOMMENDATION

That Council:

- receive and note the report titled "Revenue Statement 2013/2014" and**
- endorse the Revenue Statement 2013/2014 (Appendix A) for inclusion in the budget adoption on 25 June 2013.**

FINANCE AND RESOURCING

The 2013/2014 Budget has been developed with the inclusion of the rates and charges as detailed in the Revenue Statement 2013/2014 (Appendix A).

An operating surplus has been achieved with net rates and utility charges of \$283.3 million.

CORPORATE PLAN

Corporate Plan Theme: *Great governance*

Emerging Priority: 8.1 - Ethical, accountable and transparent decision-making

Strategy: 8.1.1 - Develop and implement a governance framework that provides transparent and accountable processes and enhances council's reputation

Corporate Plan Theme: *Great governance*

Emerging Priority: 8.1 - Ethical, accountable and transparent decision-making

Strategy: 8.1.2 - Ensure legislative compliance and awareness

Corporate Plan Theme: *Great governance*

Emerging Priority: 8.3 – Strong financial management

Strategy: 8.3.2 – Ensure council's financial performance is well managed and leads to a strong financial position.

CONSULTATION

Internal Consultation

The development of the 2013/2014 Revenue Statement has involved consultation and engagement through Councillor meetings and discussions, including:

- Strategic Positioning Budget workshop, 5 November 2012
- Budget workshop, 19 March 2013
- Budget workshop, 25 March 2013
- Budget workshop, 22 April 2013
- Budget workshop, 13 May 2013
- Budget workshop, 20 May 2013
- Budget workshop, 28 May 2013
- Budget workshop, 29 May 2013
- Budget workshop, 3 June 2013

External Consultation

No external consultation was required for this report.

Community Engagement

No community engagement was required for this report.

PROPOSAL

Following recent budget discussions council is now in a position to formalise the Revenue Statement for the 2013/2014 financial year.

General rate revenue for the 2013/14 financial year will continue to be levied using a system of differential general rating. The system includes 30 differential categories with 17 differential bands used for residential properties and a minimum general rate set at \$1,027.

The Department of Natural Resources and Mines (DNRM) has issued new valuations for the 2013/2014 financial year with an overall decrease for the region of 6%. Modeling has been undertaken to incorporate the new valuations into the Differential General Rating scheme for 2013/2014. The rate in the dollar has been adjusted to reflect fluctuations in the valuations, enabling maintenance of the revenue derived from each differential category.

The general rate increase of 5% results in a minimum general rate for the 2013/2014 financial year of \$1,027, an increase of \$49 per annum from \$978 per annum. There are 66% of residential ratepayers on the minimum general rate, consistent with previous years, and 87% of residential ratepayers will experience a general rate increase of 5% or less.

The three separate charges levied in the region remain unchanged, the Environment Levy at \$60 per annum, the Public Transport Levy at \$20 per annum, and the Heritage Levy at \$5 per annum.

The Tourism Levy, Noosa Main Beach Precinct Streetscape Levy and the Noosa Waters Lock and Weir Maintenance Levy have been adjusted to raise revenue equivalent to last financial year, given the reduction in valuations. The Montville Beautification Levy and the Noosa Junction Levy have both had a CPI increase in their total revenue. No changes have been made to the structure of the five special charges levied last year, with CPI increases being applied to the Twin Waters Maintenance Charge, the Hastings Street Community Safety Program Charge and the Brightwater Estate Landscaping Charge.

Two new special charges will be implemented in 2013/2014. The Sunshine Cove Maintenance Charge will provide for a higher level of landscaping and maintenance services for approximately 200 properties in the rapidly developing Sunshine Cove area, at a cost of \$115 per annum. The Mooloolah Island Maintenance Charge will similarly provide for a higher service standard to lawn areas on Mooloolah Island. This charge will be levied on 34 properties at an annual cost of \$150 each.

Following the implementation of standard pensioner concessions across the region in the 2012/2013 budget no changes to pensioner concessions have been made for the 2013/2014 financial year. Approximately 29,000 pensioners across approximately 24,000 properties will receive a council concession in the coming financial year, totaling \$3.8 million.

Waste Management charges have been increased in line with a 3 year full cost pricing path for wheelie bins.

The cost of a 140 litre wheelie bin has increased by \$25.70, from \$173.30 to \$199.00.

The cost of a 240 litre wheelie bin has increased by \$17.00, from \$229.00 to \$246.00.

Bulk bin prices have increased by 19% to reflect full cost price for the 2013/2014 financial year.

Holding tank charges are increasing by an average of 10.7% per annum, also on a pricing path to full cost pricing over 3 years.

The percentage change in total rates and utility charges from 2012/2013 to 2013/2014 is 5.1%.

Total Rates & Charges	2012/13	2013/14	\$ Variation	% Variation
Minimum general rate	\$978.00	\$1,027.00	\$49.00	5.0%
240 litre wheelie bin	\$229.00	\$246.00	\$17.00	7.4%
Environment Levy	\$60.00	\$60.00	\$0.00	0.0%
Public Transport Levy	\$20.00	\$20.00	\$0.00	0.0%
Heritage Levy	\$5.00	\$5.00	\$0.00	0.0%
Gross Rates & Charges	\$1,292.00	\$1,358.00	\$66.00	5.1%
Discount (general rate only)	\$48.90	\$51.35	\$2.45	5.0%
Net Rates & Charges	\$1,243.10	\$1,306.65	\$63.55	5.1%

Legal

Section 169(2)(b) of the *Local Government Regulation 2012* requires that council include in the annual budget a Revenue Statement.

Section 172 of the *Local Government Regulation 2012* details what must be included in the Revenue Statement.

Policy

The Revenue Statement 2013/2014 is consistent with the Revenue Policy 2013/2014.

Risk

Budget parameters include general rates growth of 1.5%. The growth rate will need to be closely monitored throughout the year with any reductions reflected in budget reviews.

Previous Council Resolution

There are no previous council resolutions relevant to this report.

Related Documentation

The Revenue Statement has been developed in accordance with the principals outlined in the Revenue Policy 2013/2014.

Critical Dates

The Revenue Statement must be adopted as part of the annual budget on 25 June 2013.

Implementation

The Revenue Statement sets out the details of the rates and charges that will be levied during the 2013/2014 financial year.

**4.1.3 REGISTER OF COST-RECOVERY FEES AND COMMERCIAL CHARGES
2013/2014**

File No:	ECM
Author:	Executive Director Finance and Business Finance & Business Department
Appendices:	App A - Plumbing Services Fees App B - Building Services Fees App C - Planning Assessment, Engineering Assessment & Environment Assessment & Miscellaneous Fees (<i>Under Separate Cover</i>) App D - General Cost-recovery Fees and Commercial Charges (<i>Under Separate Cover</i>)
Attachments:	Att 1 - Legislation

PURPOSE

To seek adoption of the fees and charges (Appendix A, B, C and D) as the Register of Cost-Recovery Fees and Commercial Charges 2013/2014.

EXECUTIVE SUMMARY

Development Services revenue for 2013/2014 is anticipated to be in the order of \$8.3 million. Development Assessment fees will not be increased at this time and held at current levels until adoption of the Planning Scheme in early 2014.

Plumbing Services fees are set out in Appendix A and Building Services fees are set out in Appendix B. Planning Assessment and Engineering and Environmental Assessment fees are set out in Appendix C.

General cost-recovery fees and commercial charges revenue (excluding development assessment fees) for 2013/2014 is forecast to be in the order of \$47.3 million. The price increase parameter was 4% (refer section on Financing and Resourcing for more details).

Managers responsible for general cost-recovery fees were advised to set prices at full cost recovery where possible. Commercial charges may be set above full cost after considering market and other conditions.

General Cost-recovery Fees and Commercial Charges are set out in Appendix D.

A description of the *Local Government Act* provisions relating to fees and charges is provided in Attachment 1: Legislation.

Cost-recovery fees and commercial charges were discussed at the Budget Workshop on 13 May 2013.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled “Register of Cost-recovery Fees and Commercial Charges 2013/2014”**
- (b) adopt the fees detailed in the Register of Cost-recovery Fees and Commercial Charges 2013/14 (Appendix A, B, C and D)**
- (c) resolve that, in relation to those cost-recovery fees to which Section 97 of the**

Local Government Act 2009 apply:

- (i) the applicant is the person liable to pay these fees; and
- (ii) the fee must be paid at or before the time the application is lodged; and
- (d) delegate to the Chief Executive Officer the power to amend commercial charges to which section 262(3)(c) of the *Local Government Act 2009* apply.

FINANCE AND RESOURCING

Development Services revenue for 2013/2014 is anticipated to be in the order of \$8.3 million.

General fees and charges revenue for 2013/2014 is anticipated to be in the order of \$47.3 million. Table 1 below shows the estimated general fees and charges revenue for 2013/2014 by department and branch or unit.

Table 1: Estimated general fees and charges revenue 2013/2014 by department and branch

Department	Function	Number of Fees	Estimated Fee and Charges Revenue \$'000
Infrastructure Services	Waste Management	89	\$7,750
	Other	26	\$65
Business Review	Sunshine Coast Airport	78	\$10,571
Community Services	Cemetery Services	52	\$1,016
	Aquatic and Leisure Facilities	158	\$2,968
	Community and Performance Venues	121	\$1,341
	Community Sports Facilities	72	\$134
	Library and Gallery Services	36	\$140
	Parking	12	\$2,638
	Animal Response	38	\$1,792
	Response Services	12	\$137
	Healthy Places	81	\$1,161
	Other	57	\$762
Finance and Business	Sunshine Coast Holiday Parks	157	\$14,734
	Property Information	22	\$1,073
	Quarries	27	\$1,000
	Other	35	\$271
Executive Office	Legal Services	12	\$11
Total		1,085	\$47,299

Source: T1 Financials Development Budget 4 on 31 May 2013

Note 1: Waste & Resources Management excludes utility charges of approximately \$52.5 million billed through the rates notice.

CORPORATE PLAN

Corporate Plan Theme: *Great governance*

Emerging Priority: 8.1 - Ethical, accountable and transparent decision-making

Strategy: 8.1.1 - Develop and implement a governance framework that provides transparent and accountable processes and enhances council's reputation

Corporate Plan Theme: *Great governance*

Emerging Priority: 8.2 - Effective business management

Strategy: 8.2.3 - Implement a business approach that focuses on maximising opportunities, managing risks and improving quality of service

Corporate Plan Theme: *Great governance*

Emerging Priority: 8.3 - Strong financial management

Strategy: 8.3.2 - Ensure council's financial performance is well managed and leads to a strong financial position

CONSULTATION

Internal Consultation

Managers responsible for fees and charges across council were asked to review cost-recovery fees and commercial charges relevant to their branch and obtain Executive Director endorsement for the proposed fees. Budget papers were distributed to Councillors on 6 May ahead of the Budget Workshop on 13 May 2013 where relevant managers responded to specific questions.

- Manager Planning Assessment
- Manager Engineering & Environment Assessment
- Manager Development Business Services
- Manager Building Services
- Manager Plumbing Services
- Manager Property and Business
- Holiday Parks Manager
- General Manager Airports
- Manager Finance
- Financial Services Manager
- Financial Accounting Manager
- Senior Financial Analyst
- Manager Commercial & Procurement
- Chief Information Officer
- Spatial Information Manager
- Manager Corporate Governance
- Manager Waste and Resource Management
- Manager Transport and Engineering Services
- Manager Civil Works Services
- Manager Parks and Gardens
- Manager Environmental Operations
- Manager Community Response
- Response Services Manager
- Healthy Places Manager

- Community Land Permits Manager
- Manager Community Facilities
- Aquatic & Leisure Facilities Manager
- Cemeteries Services Manager
- Community & Performance Venues Manager
- Manager Community Development
- Manager Library and Gallery Services
- Manager Environment Policy
- Chief Legal Officer

EXTERNAL CONSULTATION

As Unitywater now displays relevant fees and charges on their website, Development Services has removed the Unitywater component from the fees and charges schedules, and will refer customers to Unitywater's web page as well as provide links on council's web page.

Community Engagement

There has been no community engagement undertaken in relation to this report.

PROPOSAL

Commercial and Procurement branch staff members facilitate and coordinate with managers the review of general cost-recovery fees and commercial charges for the annual budget process with the exception of Development Assessment fees, which follow a separate process under the control of Regional Strategy and Planning department.

A fundamental issue in setting general cost-recovery fees and commercial charges is the general principle that the costs of services should be borne by those who benefit from them. A cost recovery constraint is imposed on cost-recovery fees under section 97 of the *Local Government Act 2009*.

Accordingly, advice to managers for 2013/2014 has generally set the default price for cost-recovery fees to full cost, in line with section 97 of the Act. In some instances this has resulted in significant increases to recover costs or setting a price path to reach full cost recovery.

Charges which are commercial in nature come under section 262(3)(c) of the *Local Government Act*. These have the default price increase set to 4% for the 2013/2014 budget. Commercial charges should be equal to or above cost recovery and managers were requested to provide reasons for those below cost recovery.

Incentives in Development Assessment Fees to Encourage Development

Development Services fees and charges will not be increased for 2013/2014 and will be held at current levels until the adoption of the Planning Scheme in early 2014.

Council adopted measures in 2012/2013 to encourage commercial, business and industrial activity. In particular, 7 land use types, namely - office, shop, medical centre, showroom/hardware store, warehouse, general industry and light industry/local industry/service industry, are eligible for a rebate of 25% of the application fee if the use commences within 2 years of the development approval.

New Planning Scheme

A new set of fees will be required to accompany the commencement of the new planning scheme, anticipated to be January 2014. The new fees will be created based on the following research:-

- Benchmarking of fees for similar application types used by other South East Queensland councils.
- Review of job costing data for applications decided from 1 July 2012.
- Restructuring of fees to include greater use of mid-point figures to create simplified fees to enable the uptake of electronic lodgement of applications.

A further report on fees will be presented to council closer to the adoption of the new scheme.

Legal

Local Government Act 2009

- Section 97 Cost-recovery Fees.
- Section 98 Register of Cost-recovery Fees.
- Section 262(3)(c) Commercial Charges.

Local Government Regulation 2012.

- Section 172 Revenue Statement.
- Section 193 Revenue Policy.

Attachment 1 provides a detailed description of the *Local Government Act 2009* provisions on fees and charges.

A New Tax System (Goods and Services Tax) Act 1999.

Policy

Fees and charges are adopted by council for each financial year and can be amended during the year.

Risk

Where user charges do not meet the cost of providing the service, subsidy from general rates will be required which may risk the achievement of a balanced operating result.

Previous Council Resolution

Council adopted the 2012/13 Register of Cost-recovery Fees and Commercial Charges for Development Services at the Special Meeting (Budget) held on 27 June 2012 (SM12/07).

That Council:

- note the report titled "Revised 2012/2013 Register of Cost-Recovery Fees and Commercial Charges for Development Services";*
 - adopt the fees detailed in the Register of Regulatory Fees and Commercial Charges 2012/2013 (Appendix A, B and C);*
- (C) note that Appendix C includes:*
- a nil fee for pre-lodgement meetings;*
 - a 5% reduction in fees applying to Business, Commercial and Industrial uses; and*

- (iii) a 25% rebate of the development application fee paid for 7 land use application types within Business, Commercial and Industrial Uses when the use is commenced within 2 years of approval;and
- (c) resolve that in relation to those regulatory fees to which Section 97 of the Local Government Act 2009 apply:
 - (i) the applicant is the person liable to pay these fees and charges; and
 - (ii) the fee or charge must be paid at or before the time the application is lodged;and
- (d) delegate to the Chief Executive Officer the power to amend commercial charges to which section 262 3 (c) of the Local Government Act 2009 apply.

Council adopted the 2012/2013 Register of Regulatory Fees and Commercial Charges at the Special Meeting (Budget) held on 13 June 2012 (SM12/01).

That Council:

- (a) note the report titled "2012/2013 Register of Regulatory Fees and Commercial Charges";
- (b) adopt the fees detailed in the Register of Regulatory Fees and Commercial Charges 2012/2013 (Appendix A) excluding:
- (c) resolve that in relation to those regulatory fees to which Section 97 of the Local Government Act 2009 apply:
 - (i) the applicant is the person liable to pay these fees and charges; and
 - (ii) the fee or charge must be paid at or before the time the application is lodged;and
- (d) delegate to the Chief Executive Officer the power to amend commercial charges to which section 262 3 (c) of the Local Government Act 2009 apply.

Council adopted the Waste Management Fees for the 2012/2013 Register of General Regulatory Fees and Commercial Charges at the Special Meeting (Budget) held on 13 June 2012 (SM12/02).

That Council:

- (a) receive and note the report titled "Waste and Resources Management Revised Budget 2012/2013"; and
- (b) note the Waste and Resources Management Operational Plan 2012/2013 (Appendix A);and
- (c) note the Sunshine Coast Council Waste Minimisation Strategy Implementation Update May 2012 (Appendix B); and
- (d) adopt the draft schedule of Waste Management Fees and Charges for 2012/2013 (Appendix A) of the "Waste and Resources Management Operational Plan 2012/2013";
- (e) agree to the "Operational Projects and Core Adjustments" amounting to \$819,000 for 2012/2013 as detailed in Appendix B of the "Waste and Resources Management Operational Plan 2012/2013 (Appendix A); and

- (f) *resolve that in relation to those cost recovery fees to which Section 97 of the Local Government Act 2009 apply:*
- (i) *the applicant is the person liable to pay these fees and charges; and*
 - (ii) *the fee or charge must be paid at or before the time the application is lodged or as specified in the fees and charges;*
- (g) *delegate to the Chief Executive Officer the power to amend commercial charges to which section 262(3)(c) of the Local Government Act 2009 apply;*
- (g) *adopt the “Waste Management Draft Revenue Statement 2012/2013” as detailed in (Appendix C), and these charges be referred to the 2012/2013 budget meeting for adoption by council; and*
- (h) *agree to fund the Waste Management Community Service Obligations estimated to cost \$1,103,877 from general rates as detailed in the “Waste and Resources Management Operational Plan 2012/2013” (Appendix A); and*
- (j) *adopt the Landfill Rehabilitation Program of \$2,388,350 for 2012/2013 and endorse the allocations for the 4 years 2013/14 to 2016/17 as detailed in Appendix C of the “Waste and Resources Management Operational Plan 2012/2013” (Appendix A).*

Related Documentation

- Register of Development Assessment Fees
- *Local Government Act 2009*
- *Local Government Regulation 2012*

Critical Dates

The 2013/2014 cost-recovery fees and commercial charges apply from 1 July 2013. Adopting the fees and charges at this time allows advance notice for users and the community.

Implementation

The Register provides price information for forms and the subsidiary revenue systems.

Once adopted, the Register of Cost-recovery Fees and Commercial Charges 2013/2014 (Appendix A, B, C and D) will be made public by being published on council’s website.

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4.1.4 2013/2014 TEN-YEAR CAPITAL WORKS PROGRAM

File No: SCRC Budget Development
Author: Executive Director Finance and Business
Finance & Business Department
Appendices: App A - 2013/2014 Ten-Year Capital Works Program

PURPOSE

The purpose of this report is to present the final 10-year capital works program for council endorsement for inclusion in the 2013/2014 budget.

EXECUTIVE SUMMARY

The *Local Government Act 2009* and the *Local Government Regulation 2012* place emphasis on the long-term planning and forecasting for councils, requiring a 10-year focus for capital works planning.

The principles applied to the capital program are based on a financially sustainable council, with the priority on renewal, growth and levy projects over new projects. The program is developed on the basis of year 1 approved/adopted; the next 4 years endorsed; and years 6 to 10 indicative.

The final program presented has been developed after extensive consultation between Council officers, management and Councillors, through both one-on-one meetings and budget workshops.

Council is asked to endorse the 2013/14 Capital Works Program for inclusion in the 2013/2014 budget, as outlined in **Appendix A**.

OFFICER RECOMMENDATION

That Council:

- a) receive and note the report titled “2013/2014 Ten-Year Capital Works Program” and
- b) endorse the 2013/14 Capital Works Program, as outlined in Appendix A, for inclusion in the budget adoption on 25 June 2013.

FINANCE AND RESOURCING

The 10-year capital works program has been based on funding levels identified within the parameters for a sustainable council, the Long Term Financial Forecast and council’s adopted Long Term Financial Sustainability Plan. The program represents a forecast investment in community infrastructure of over \$900 million over the next 10 years.

Financing the capital works program is a mixture of grants, capital contributions, loans and council funds.

CORPORATE PLAN

Corporate Plan Theme: *Managing growth*

Emerging Priority: 7.4 - Timely and appropriate infrastructure and service provision
Strategy: 7.4.1 - Prepare comprehensive infrastructure plans, policies and strategies in line with long term financial plans

Corporate Plan Theme: *Managing growth*
Emerging Priority: 7.5 - Council's services and assets meet the needs of our growing community
Strategy: 7.5.4 - Develop and implement five year and longer term rolling capital works programs according to strategic priorities

Corporate Plan Theme: *Great governance*
Emerging Priority: 8.3 - Strong financial management
Strategy: 8.3.2 - Ensure council's financial performance is well managed and leads to a strong financial position

CONSULTATION

Internal Consultation

Consultation has been undertaken throughout the development of the Capital Works Program, including:

- Budget workshop November 2012
- Officer-level meetings December 2012 to April 2013
- Budget workshop 19 March 2013
- Budget workshop 25 March 2013
- Budget workshop 22 April 2013
- Budget workshop 13 May 2013
- Budget workshop 20 May 2013
- Budget workshop 28 May 2013
- Budget workshop 29 May 2013
- Budget workshop 3 June 2013 and
- Individual Councillor meetings during April and May 2013.

External Consultation

External consultation is undertaken regularly throughout the financial year with State and Federal Government departments discussing opportunities for partnerships and funding.

Community Engagement

Community engagement is undertaken throughout the financial year by Councillors and staff in the development and prioritisation of projects for inclusion in the capital works program.

PROPOSAL

Conformity to the previously adopted 5-year program from 2012/2013 provided the basis for years 1 to 4 of the proposed program, with any changes resulting from changes in the prioritisation of projects and in available funding.

The Capital Works Program has been based upon the endorsed budget principles of:

- maintaining or increasing cash
- maintaining or reducing debt and
- asset lifecycle priority, ranking in order of:
 1. Renewal

2. Growth
3. Levy and Grants and
4. New.

The de-amalgamation of Noosa has been incorporated into the 10-year capital program through the exclusion from the 2013/2014 budget of those projects that would have been delivered in the period January 2014 to June 2014. Furthermore, the remaining nine years 2014/2015 to 2022/2023 excludes all Noosa related projects.

Each year the council adopts the program for the budget year, endorses years 2-5 with years 6-10 being indicative only. Throughout the year priorities may change and this is reflected through a stringent scoring process, taking input from adopted Strategies, Priority Infrastructure Plans, business plans for Business units, and Asset Management Plans.

The total program value for 2013/2014 amounts to \$109 million. Total expenditure over the ten-year forecast period amounts to \$910 million.

Budget Guidelines permit adjustments to the projects between and within programs with major reviews to be undertaken in October 2013 and February 2014.

Legal

The Capital Works Program has been developed having regard to the provisions of the *Local Government Act 2009*, the *Local Government Regulation 2012* and the *Statutory Bodies Financial Arrangements Act 1982*.

Policy

Endorsement of the 2013/2014 to 2022/23 10-Year Capital Works Program will ensure greater opportunity to consult, scope out works, plan and deliver projects over multiple years. The program will be reviewed annually in accordance with Council's adopted Financial Sustainability Plan.

Adopted Strategies and Policies have provided strong input into the development of the Program, and have assisted in the prioritisation of individual projects.

Risk

The proposed capital works program makes no provision for the identified region-building projects, (including implementation of the Sunshine Coast Airport master plan and the development of the Maroochydore central precinct), which will be subject to independent analysis and funding strategies.

Loans identified as funding for the proposed program are also subject to approval by the Department of Local Government and Treasurer.

Previous Council Resolution

SM12/06 –

That Council:

- a) *Receive and note that report entitled 2012/2013 Ten-Year Capital Works Program*
- b) *Adopt the Capital Works Program for 2012/2013 (Appendices A, B, C and D);*
- c) *Endorse the indicative four-year program for the period from 2013/2014 to 2016/2017;*
and
- d) *Note the indicative program for the five year period from 2017/2018 to 2021/2022.*

Related Documentation

Included as an attachment to this report is the 2013/2014 to 2022/2023 10-Year Capital Works Program (Appendix A).

Critical Dates

At the 25 June 2013 statutory meeting, council will adopt the budget along with the first year of the 10-year capital works program.

Implementation

There are no implementation details to include in this report.

4.1.5 PROPOSED 2013/2014 BUDGET FOR ADOPTION 25 JUNE 2013

File No: SCRC Budget Development
Author: Executive Director Finance and Business
Finance & Business Department
Appendices: App A - Proposed 2013/2014 Budget (To be distributed at the Meeting to allow for the inclusion of any decisions made at the Special Meeting of 6 June 2013)

PURPOSE

The purpose of this report is to provide Councillors with a copy of the draft budget proposed for adoption at the Special Budget Meeting to be held 25 June 2013.

EXECUTIVE SUMMARY

Section 107A of the *Local Government Act 2009* requires the Mayor to give a copy of the proposed 2013/2014 budget to Councillors at least 2 weeks prior to adoption.

A copy of the proposed budget is provided as Appendix A to this report.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled "Proposed 2013/2014 Budget for Adoption 25 June 2013" and
- (b) receive the proposed 2013/2014 Budget included as Appendix A to this report.

FINANCE AND RESOURCING

The proposed budget outlines the financial plan for council over the coming financial year and includes a long term financial forecast over the subsequent 9 years, including projected operating income and expenses, cash levels, capital works and intended borrowing.

CORPORATE PLAN

Corporate Plan Theme: *Great governance*

Emerging Priority: 8.1 - Ethical, accountable and transparent decision-making

Strategy: 8.1.2 - Ensure legislative compliance and awareness

Corporate Plan Theme: *Great governance*

Emerging Priority: 8.3 - Strong financial management

Strategy: 8.3.1 - Develop long term financial plans and indicators to achieve optimum use of resources and alignment to strategic priorities

Corporate Plan Theme: *Great governance*

Emerging Priority: 8.3 - Strong financial management

Strategy: 8.3.2 - Ensure council's financial performance is well managed and leads to a strong financial position

CONSULTATION

Internal Consultation

Council's Chief Legal Officer has been consulted in the drafting of this report.

Councillors have participated in 35 hours of formal 2013/2014 budget deliberations over nine workshops from the 5th November 2012 to the 3rd June 2013.

External Consultation

Council has consulted with the Local Government Association of Queensland in the compilation of this report.

Community Engagement

There has been no community engagement in the compilation of this report.

PROPOSAL

Section 107A of the *Local Government Act 2009* requires the Mayor to give a copy of the proposed 2013/2014 budget to Councillors at least 2 weeks prior to adoption.

A copy of the proposed budget is provided as Appendix A to this report.

Legal

Section 107A of the *Local Government Act 2009* identifies the process and responsibilities of the Mayor in the presentation of the proposed budget.

Policy

There are no policy implications for this report.

Risk

This report satisfies procedural obligations of Council and the Mayor under Section 107A of the *Local Government Act 2009*.

Previous Council Resolution

There are no previous Council resolutions affecting this report.

Related Documentation

The proposed 2013/2014 Budget includes all associated statements and schedules as required under Section 169 of the *Local Government Regulation 2012*.

Critical Dates

The proposed budget will be considered at the Special Budget Meeting to be held 25 June 2013.

Implementation

Estimates included in the proposed budget will be loaded into council's financial systems and will be monitored via monthly reports to council and regular budget reviews throughout the 2013/2014 year.

5 NEXT MEETING

Nil

6 MEETING CLOSURE