

Questions – Sandra Young

Loans and grant funding

- 1. Could you please supply a listing of the loans and grants supplied by the NSW government to the QPRC, both in the period of administration, and also the period of the present elected council until the end of April, 2018. Please include a brief summary of the cost and purpose of each loan/grant.**

Response - Finance

No loans have been provided to QPRC from the NSW Government. Council can apply for loans through the NSW Treasury Corporation, currently fixed at 4% for 20 years. QPRC proposes to apply for loans within the 2017-18 financial year for the following projects:

- Queanbeyan Indoor Sports Centre Upgrade \$2,750,000
- Braidwood Waste Transfer Station \$2,750,000
- Purchase of land at Royalla for proposed Memorial Park \$2,250,000

Further borrowings are proposed in the draft Delivery Program 2018-21, however this Program is yet to be adopted.

In regards to grant funding, the following has been provided by the NSW Government

- Merger implementation grant \$5m – to fund the costs associated with the merger
- Stronger Communities Fund \$1m – to fund community-based projects up to \$50,000 each
- Stronger Communities Fund \$9m – to fund community assets across the Local Government Area
- Stronger Country Communities Fund – Round 1 – Council was provided with \$1.77m which has been allocated towards:
 - Queanbeyan River Walk - \$400,000
 - High Street Amenities - \$640,000
 - Bungendore Change Rooms - \$350,000
 - Braidwood Recreation Ground Floodlights - \$380,000
- 2017-18 Public Library Infrastructure Grant Program - \$134,149
- Stronger Country Communities Fund – Round 2 – Council has been allocated \$3.54m and has recommended a number of projects, however applications have not yet been assessed by Government. Council applied for funding for the following projects:
 - Queanbeyan River Walk Stage 2 - \$800,000
 - Bungendore Sports Hub Stage 2 - \$950,000
 - Braidwood Recreation Area Stage 2 - \$250,000
 - Ryrie Park Braidwood - \$690,000
 - Queanbeyan Showground - \$600,000
 - Bungendore Scout Hall Stage 2 - \$250,000
- Construction of the Ellerton Drive Extension - \$25m

- Duplication of Old Cooma Road between Googong Rd and Edwin Land Parkway - \$31m
- Sealing of the Nerriga Road (MR 92) and construction of roundabout on Kings Hwy Bungendore - \$39m
- NSW Environmental Trust - Integrated roadside asset management supported by drone imagery - \$80,000
- NSW Environmental Trust - Monitoring and management of roadside native vegetation for the benefit of the Scarlet Robin- \$60,000
- NSW Environmental Trust - Roadside revegetation and restoration - \$55,000
- NSW Environmental Trust – Treating Ox-eye Daisy in South East NSW - \$88,300
- NSW Crown Lands PRMFP - Weed control - Bendoura crown land - \$20,727
- NSW Crown Lands PRMFP - Weed control - Majors Creek crown land - \$26,905
- NSW Crown Lands PRMFP - Weed control - Captains Flat crown land - \$27,255
- NSW Crown Lands PRMFP- Weed control - Carwoola crown land - \$27,055
- NSW Department of Primary Industries - South East Weeds Action Program 2016-17 - \$132,717
- NSW Department of Primary Industries - South East Weeds Action Program 2017-18 - \$145,562 -

From the OLG (Office of Local Government) website:

“Debt service ratio indicates the amount of general income that is used to repay debt and interest charges.

This ratio forms part of councils’ Fit for the Future assessment. Prudent and active debt management is a key part of a council’s approach to both funding and managing infrastructure and services over the long term.

The debt service ratio is calculated by cost of debt service (interest and principal repayment) divided by total continuing operating revenue (excluding capital grants and contributions).”

There is a preferred option by the NSW Government for council borrowings as a percentage of total council assets, called the debt service ratio.

This is usually just under 20% for the highest suggested maximum estimate for councils.

2. What is the current debt service ratio of QPRC, up to the end of April 2018?

Response - Finance

The Office of Local Government currently requires councils to report the debt service cover ratio which is the operating result before capital excluding interest and depreciation/impairment/amortisation divided by principal repayments plus borrowings. The result determines how many times the operating result can pay for costs of the borrowings. The benchmark is set 2x times the cost of principal repayments and borrowing costs.

- 2016-2017 Audited Financial Statements resulted in 8.01x
- 2017-2018 Operational Plan has a planned result of 3.0x
- 2018-2019 Operational Plan has proposed result of 6.6x
- 2019-2020 Delivery Program has proposed result of 4.3x
- 2020-2021 Delivery Program has a proposed result of 3.6x

Councils are no longer required to report on the Debt Service Ratio.

3. What is the borrowing limit as a % of rate revenue?

Response - Finance

The Office of Local Government does not place a borrowing limit on councils other than being able to generate enough operating income to cover principal and interest costs of debt. The Fit for Future notional threshold was a ceiling of 20%.

If QPRC was to borrow to the full debt levels to meet a 2.0x debt cover service ratio, based on 2016-17 income, QPRC could obtain debt up to the value of \$249 million. Current level of borrowings as per 2016-17 Financial Statements are at \$38.337 million.

Meeting procedures

- 4. If ratepayers/members of the public travel to council meetings and they have either not given a week's notice to have their concerns raised, or their concerns are not on that meetings' agenda, they then cannot speak at that meeting. Can a general question time for ratepayers/members of the public be re-instated after the completion of agenda items, as was previous council practice?**

Response - CEO

Residents are able to make a presentation to Council on any item that is on the agenda at either Planning and Strategy Committee Meetings or Ordinary Meetings. Residents can register for this up until the start of each meeting, at 5.30pm.

The other process referred to is Council's Public Forum. Questions must be submitted by 4.30pm on the Wednesday prior to an Ordinary Meeting or Planning and Strategy Committee Meeting to ensure staff have sufficient time to prepare responses to questions.

Residents are able to raise matters with councillors at any time, with contact details available on Council's website.

Council holds community meetings twice a year where residents are able to add agenda items and ask general questions relating to Council matters.

Council made a submission to the Office of Local Government regarding the draft Code of Meeting Practice, supporting the public can raise questions on any matter, in a forum prior to the commencement of meetings. The Model Code is yet to be finalised and released.

Engagement of consultants

- 5. Over the past three years**
- **How many consultancies have been undertaken?**
 - **What was the reason for each consultancy?**
 - **What was the brief for each consultancy?**
 - **What was the total cost of each consultancy?**
 - **What was the outcome as a result of each consultancy?**

Response - Finance

As details for expenditure for the 2015-16 and 2016-17 financial years are held on separate financial systems, staff will require some additional time to provide a response to this question. Staff are aiming to respond for the 23 May Public Forum.

Questions – Katrina Willis

Ellerton Drive Extension - Asbestos

6. Can the council confirm that asbestos was identified along sections of the Ellerton Drive Extension (EDE) alignment during construction works?

Response – Community Connections

Asbestos concrete water main was known to Council to exist near the East Queanbeyan water reservoir, Greenleigh. The removal of this old water main was part of planned contract works as it crossed the EDE alignment in an area where excavation will take place. During the removal of this old Asbestos Water main pipe, a separate old Asbestos pipe fitting was discovered which has been managed in accordance with a defined 'unexpected find' procedure and relevant legislation, codes of practice, guidelines and standards.

7. Where was the asbestos found?

Response – Community Connections

See question 6.

8. What type of asbestos was found?

Response – Community Connections

See question 6 above. The asbestos pipe material removed as part of the contract works was non-friable.

9. How much asbestos was found?

Response – Community Connections

As expected, approximately 100 linear metres of existing old asbestos water main pipe has been removed as part of the contract works.

10. When was the asbestos found?

Response – Community Connections

See question 6.

11. Has the asbestos been removed?

Response – Community Connections

All accessible sections of the asbestos have been removed to date. Some small sections of asbestos pipe which are not yet accessible still require removal as part of the Contract works.

12. When was the asbestos removed?

Response – Community Connections

The asbestos pipe was removed approximately two weeks ago.

13. How has the asbestos been disposed of, and where?

Response – Community Connections

The asbestos was firstly assessed by a hygienist then removed by an independent licensed asbestos removalist sub-contractor. The material has been taken off site to a facility licensed to take asbestos material.

Ellerton Drive Extension – Adverse impacts on residents

- 14. Can the council confirm that it has refused to consider complaints from residents about the adverse impacts on them and their homes arising from construction of the Ellerton Drive Extension?**

Response – Community Connections

This is incorrect. Council has remained open to complaints. Due to the nature of the contractual relationship between Council, RMS and WBHO most matters are referred to the contractor.

Council is organising a meeting with affected residents to discuss such issues.

Any construction related complaints received by Council are forwarded to the contractor. The contractor has legal possession of the road project and is in the best position to address any complaints arising from their work. NSW Roads and Maritime Services are also notified of the complaints as they are the Principal of the construction contract and is the holder of the insurance policy for any claims of damages to property.

- 15. Why has the council refused to address residents' concerns?**

Response – Community Connections

See question 14 above.

- 16. Who is responsible for setting out the procedure to be followed when residents raise concerns about the adverse impacts on them and their homes (including damage to property) arising from the EDE construction works?**

Response – Community Connections

The Ellerton Drive Extension is being delivered by the NSW Roads and Maritime Services. Residents are advised to contact the project information line on 1800 116 337 or ellertondrive@wbho.com.au. This includes issues related to claims of property damage.

- 17. Did the council communicate to all residents living along the EDE alignment the procedures to be followed when they have concerns about adverse impacts on them and their homes arising from EDE construction works?**

Response – Community Connections

Yes, this has been included in newsletters and notifications provided during the construction period.

Ellerton Drive Extension – Noise Walls

- 18. Why has construction of the Ellerton Drive Extension started before installation of noise walls?**

Response – Community Connections

Noise walls will be installed along areas of the project corridor to reduce the noise impacts when the road is in operation and are not proposed to mitigate construction noise. The

majority of noise walls can't be constructed until most of the earthworks have been completed. The project team had planned to construct the noise walls along the existing Ellerton Drive earlier in the project however delays have been experienced due to underground utilities requiring relocation. The primary objective of the noise walls is reduce the noise impacts when the road is operational.

19. Who decided to allow construction to start before noise walls were installed?

Response – Community Connections

The primary objective of the noise walls is reduce the noise impacts when the road is operational.

In some locations, noise walls are unable to be constructed until after earthworks and other works are substantially complete.

20. What is the current schedule for installing noise walls along the EDE alignment?

Response – Community Connections

Noise walls (to reduce the noise impacts when the road is operational) are set to commence in the next four weeks on existing Ellerton Drive. As mentioned previously, other sections of noise walls depend largely on the completion of earthworks and will be installed progressively during the course of the road construction.

Ellerton Drive Extension – Expenditure

21. How much money has the council contributed towards construction costs and related costs for the Ellerton Drive Extension in the 2017-18 financial year?

Response – Finance

QPRC has spent \$6,171,752.88 on the Ellerton Drive Extension project within the 2017-18 financial year. These funds have gone towards the purchase of land and environmental offsets.

22. What is the total dollar value of contributions paid to the council by developers towards the construction of the EDE?

Response – Finance

Council has received the following amounts for Googong Offsite Roads (Old Cooma Road upgrade, construction of Edwin Land Parkway, Ellerton Drive Extension upgrade Monaro Street and intersection upgrades). Total expected contribution \$53,394,849.

Council has received the following amounts from the developers of Googong Township (exclusive of GST) for the contribution of Googong Offsite Roads:

- 2013-14 - \$1,373,715
- 2015-16 - \$2,845,813
- 2016-17 - \$4,359,705
- 2017-18 year to date - \$2,375,187

Total: \$10,954,420

These funds will be used to repay the loan, including interest that Council will take out to fund the construction of the Ellerton Drive Extension when that loan is drawn.

Noise Attenuation

At its meeting on 26 April 2018 the council considered an item in closed session about noise attenuation. The minutes of the meeting note the outcome of consideration of this item as:

That Council agree to the noise attenuation measures proposed in this report.

23. To what did the report relate?

Response – Community Connections

The item was considered by Council in closed session and no further details will be provided.

24. What noise attenuation measures did the council agree to?

Response – Community Connections

Refer to Q23.

25. What is the cost of the measures the council agreed to?

Response – Community Connections

Refer to Q23.

26. Who is responsible for paying for the measures that the council agreed to?

Response – Community Connections

Refer to Q23.

27. Why was the matter considered in closed session?

Response – Community Connections

As stated in the publicly available agenda, the matter was considered in closed session because:

Item 20.3 is confidential in accordance with s10(A) (f) (g) of the Local Government Act 1993 because it contains details of systems and/or arrangements that have been implemented to protect council, councillors, staff and Council property; AND advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege and discussion of the matter in an open meeting would be, on balance, contrary to the public interest

28. Why did the minutes fail to provide any meaningful information about the nature of the matter discussed in closed session?

Response – Community Connections

The minutes record the resolution made by Council.

29. Will the council now release the report referred to in the minutes?

Response – Community Connections

Refer to Q23.