



Extraordinary Meeting of Council

AGENDA

30 June 2021

Commencing at 5.30pm

**Queanbeyan Council Chambers
253 Crawford St, Queanbeyan**

1	OPENING	
2	ACKNOWLEDGEMENT OF COUNTRY	
3	APOLOGIES AND APPLICATIONS FOR A LEAVE OF ABSENCE BY COUNCILLORS	
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4B	ADOURNMENT FOR PUBLIC FORUM	
5	REPORTS TO COUNCIL - ITEMS FOR DETERMINATION	
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5.3	Adoption of Operational Plan and Fees and Charges 2021-22.....	21
5.4	Operational Plan - Rating Reform and the Local Government Amendment Act 2021	27
6	NOTICE OF INTENTION TO DEAL WITH MATTERS IN CLOSED SESSION	30
7	REPORTS FOR CLOSED SESSION	
8	CONCLUSION OF THE MEETING	

LIST OF ATTACHMENTS –

OPEN ATTACHMENTS

Item 5.1	Adoption of QPRC Waste Strategy	
	<i>Attachment 1 Draft Waste Strategy - Community Engagement Report (Under Separate Cover)</i>	
	<i>Attachment 2 Draft Waste Strategy (Under Separate Cover)</i>	
	<i>Attachment 3 Draft Waste Strategy Appendix A (Under Separate Cover)</i>	
	<i>Attachment 4 Draft Waste Strategy Appendix B (Under Separate Cover)</i>	
	<i>Attachment 5 Draft Waste Strategy Appendix C (Under Separate Cover)</i>	
	<i>Attachment 6 QPRC Waste Strategy General Waste Charge Rating Approach (Under Separate Cover)</i>	
Item 5.2	Adoption of 2021-22 Revenue Policy	
	<i>Attachment 1 Summary of Submissions to the 2021-22 Revenue Policy (Under Separate Cover)</i>	
	<i>Attachment 2 Full Summary of Submission from the Braidwood Community Association (WS09) (Under Separate Cover)</i>	
Item 5.3	Adoption of Operational Plan and Fees and Charges 2021-22	
	<i>Attachment 1 Summary of Submissions - Operational Plan and Fees and Charges (Under Separate Cover)</i>	
	<i>Attachment 2 Collated full submissions (Under Separate Cover)</i>	
Item 5.4	Operational Plan - Rating Reform and the Local Government Amendment Act 2021	
	<i>Attachment 1 OLG Circular - Commencement of Local Government Amendment Act 2021 (Under Separate Cover)</i>	

Closed Attachments

Nil

ITEM 4 DECLARATION OF CONFLICTS/PECUNIARY INTERESTS

The provisions of Chapter 14 of the *Local Government Act, 1993* regulate the way in which Councillors and nominated staff of Council conduct themselves to ensure that there is no conflict between their private interests and their public trust.

The Act prescribes that where a member of Council (or a Committee of Council) has a direct or indirect financial (pecuniary) interest in a matter to be considered at a meeting of the Council (or Committee), that interest must be disclosed as soon as practicable after the start of the meeting and the reasons for declaring such interest.

As members are aware, the provisions of the *Local Government Act* restrict any member who has declared a pecuniary interest in any matter from participating in the discussions, voting on that matter, and require that member to vacate the Chamber.

Council's Code of Conduct provides that if members have a non-pecuniary conflict of interest, the nature of the conflict must be disclosed. The Code also provides for a number of ways in which a member may manage non pecuniary conflicts of interest

Recommendation

That Councillors and staff disclose any interests and reasons for declaring such interest in the matters under consideration by Council at this meeting.

5.1 Adoption of QPRC Waste Strategy (Ref: ; Author: Cunningham/Belcher)

File Reference: 34.2.3

Summary

Following exhibition of the draft Waste Strategy, this report recommends that Council adopt the Waste Strategy as final.

Recommendation

That Council:

- 1. Adopt the Waste Strategy incorporating Scenario 3 with Rating Approach D.**
 - 2. Update the draft Waste Strategy and place the final Waste Strategy on Council's website.**
 - 3. Thank the members of the Waste Strategy Working Group for their efforts and contribution.**
-

Background

Current waste management within QPRC reflect pre-amalgamation arrangements. This has resulted in several sub-optimal servicing and charging outcomes that need to be addressed. Council has prepared a draft Waste Strategy and was placed on public exhibition in accordance with Resolution 009/21.

Community consultation outcomes are discussed in the Engagement section of this report and in the attached community engagement report.

The exhibited Strategy has had a minor amendment to include a brief discussion regarding alignment of the QPRC Waste Strategy with the recently released NSW Waste and Sustainable Materials Strategy and other regional waste strategies.

Implications

Sustainability

Adoption of a finalised Waste Strategy will allow the community and Council to take a significant step towards reducing waste sent to landfill and to find better uses for some waste products. Overall, adoption of the Waste Strategy will enhance the sustainability outcomes of the community and Council. The Strategy broadly aligns with the key ambitions and actions of the ACT Waste Strategy, the NSW Waste and Sustainable Materials Strategy and the CRJO Regional Waste Strategy, including:

- reduce total waste
- increase average recovery rate from all waste streams
- increase the use of recycled content
- phase out problematic and unnecessary plastics
- reduce the amount of organic waste sent to landfill
- community education

5.1 Adoption of QPRC Waste Strategy (Ref: ; Author: Cunningham/Belcher) (Continued)

Engagement

Community engagement was undertaken through Council's Your Voice portal and included advertising through Council media channels, a press release and highlighting at the community meetings recently held. The draft Waste Strategy was on exhibition from 4 May 2021 to 2 June 2021.

Council received 12 submissions and reached 101 participants. Submissions were generally supportive of the draft Waste Strategy. Negative comments were generally related to a specific aspect of the draft Waste Strategy and are not considered to materially affect the draft Waste Strategy.

Letters were sent to both Veolia and Canberra Region Joint Organisation inviting them to comment on the draft Waste Strategy. Neither submitted a response.

Financial

The draft Waste Strategy includes a full financial model that considers all inputs and outputs and delivers a robust funding basis to undertake the actions contained within the Strategy while managing costs to ratepayers.

Financial implications are detailed in the strategy documents. Amendments to Draft Fees and Charges have been addressed through a submission to the Draft Operational Plan.

Resources (including staff)

The draft Waste Strategy includes consideration of staffing and contract resources and associated funding in delivery of waste services and projects.







Integrated Plan

The draft Waste Strategy is consistent with Council Integrated Planning documents. Adoption of the Waste Strategy will require minor adjustments to some of these documents which will occur at the next revision of these plans.

Conclusion

The draft Waste Strategy provides a robust basis for improving waste diversion from landfill. It is recommended that Scenario 3 with the phased Rating Approach D is adopted as the Final Waste Strategy.

Attachments

 Attachment 1	Draft Waste Strategy - Community Engagement Report (<i>Under Separate Cover</i>)
 Attachment 2	Draft Waste Strategy (<i>Under Separate Cover</i>)
 Attachment 3	Draft Waste Strategy Appendix A (<i>Under Separate Cover</i>)
 Attachment 4	Draft Waste Strategy Appendix B (<i>Under Separate Cover</i>)
 Attachment 5	Draft Waste Strategy Appendix C (<i>Under Separate Cover</i>)
 Attachment 6	QPRC Waste Strategy General Waste Charge Rating Approach (<i>Under Separate Cover</i>)

5.2 Adoption of 2021-22 Revenue Policy (Ref: ; Author: Knight/Robinson)

File Reference: 43.2.1-14 and 51.1.1-01

Summary

This report presents the draft 2021-22 Revenue Policy which has been on public exhibition with community feedback sought. It includes the rates and annual charges, which must be 'made' by a resolution of Council.

Recommendation

That Council:

- 1. Adopt the Revenue Policy 2021-22 with the amendments shown below, following consideration of public submissions made on the draft Integrated Planning documents and in accordance with Section 405 of the *Local Government Act 1993*:**

Page	
6	Remove proposed Environmental Levy in accordance with Council's 26 May 2021 resolution to defer to after election
7-8	Add information about the anticipated impacts of the <i>Local Government Amendment Act 2021</i> on future rates and annual charges.
44	Add extra line for annual waste charge: <i>Urban – SUD – 3 Bin (with 240L waste) \$416</i> Add extra line for annual waste charge: <i>Urban – MUD – 2 Bin (no bulky) \$190</i>

- 2. Consider the staff recommendation associated with submission WS02.**
- 3. Make the following rates and annual charges for the 2021-22 financial year and that such rates and annual charges be the amount specified hereunder for the Queanbeyan-Palerang Regional Council.**

Background

In April 2021, Council exhibited its draft Revenue Policy including the proposed rates and annual charges. During the exhibition period, several changes have been identified through public submissions, Ministerial determination and staff review, and noted at a councillor workshop.

5.2 Adoption of 2021-22 Revenue Policy (Ref: ; Author: Knight/Robinson) (Continued)

The following changes to the draft Revenue Policy are recommended for adoption.

Page	Change	Reason
6	Remove information about proposed Special Rate Variation for an Environmental Levy that would be used to fund environmental programs and projects and that would begin community consultation in 2021-22.	In accordance with Council's May resolution, consideration of the EnviroCare proposed SRV will be deferred until after the September 21 local government elections.
7-8	Add information about the <i>Local Government Amendment Act 2021</i> that was passed by NSW Parliament on 13 May 2021.	The Amendment has come into effect, although some reforms will commence by proclamation. The legislative change impacts Council's Revenue Strategy and may impact future annual rates and charges.
44	Urban – SUD – 3 Bin (with 240L waste) \$416 Urban – MUD – 2 Bin (no bulky) \$190	These charges for existing waste services were decreased by 6.7% (with the introduction of the phased-in General Waste Charge,) and incorrectly omitted from the draft Revenue Policy.

Implications

Legal

Making of the Rates

In accordance with the provisions of Section 532 of the *Local Government Act 1993* a council must not make a rate or charge until it has given public notice (in accordance with Section 405(3)) of its Draft Operational Plan for the year for which the rate or charge is to be made and has considered any matters concerning the Draft Operational Plan.

Local Government Amendment Act 2021

In May 2021 the NSW Government amended the *Local Government Act 1993* to reform rates legislation so that a council can increase rates to support development and pay for increased community infrastructure. Parts of the legislative changes rely on additional reviews and regulations to be finalised over the coming months. The Minister for Local Government has commissioned IPART to recommend a new methodology for taking population growth into account when setting the rate peg. The Act now allows multiple rate pegs to be set, if required, enabling the Government to align a council's general income to population growth to help provide for growing communities.

The amended Act allows a council to levy a new special rate for infrastructure that is jointly funded by council and another government entity. Income from this special rate would not require a Special Rate Variation, or require IPART approval. Subject to additional government regulations being made for the commencement of this legislation, Council will consider infrastructure projects that would qualify for a special rate and engage with ratepayers on any proposal. Council would seek to discuss benefits of any proposed future infrastructure spending, anticipated total project costs, council's contribution to those costs, the contributions to be made by others, the total special rate being proposed, and how, and for what time period, the rates are to be levied.

5.2 Adoption of 2021-22 Revenue Policy (Ref: ; Author: Knight/Robinson) (Continued)

Council noted a report to the 9 June meeting on advocacy to IPART to include population, asset and service growth in the rate peg; and enabling the special infrastructure levy to be raised to co-fund grant and development contribution funded projects.

All future revenue policy changes will be subject to community consultation that takes place as part of Council's annual community engagement process and would seek to receive feedback on anticipated costs and benefits to ratepayers.

Strategic

Key Ratepayer Impacts

Rates notices in July 2021 will be affected by these main factors:

1. Council's total rates income for the year will be increased by the rates peg of 2.0% determined by IPART. The rates peg is not the amount that each individual rates assessment can increase, but the increase in the total general rates income that Council receives.
2. Introduction of \$25 annual charge for stormwater in Bungendore and Braidwood – collected to fund the expansion and upgrade of stormwater networks in urban areas.
3. Increase annual charge for stormwater from \$20 to \$25 in Queanbeyan – collected to fund the expansion and upgrade of the urban stormwater network.
4. Adoption of the new pricing structure for the Palerang Communities Water and Sewerage Schemes that:
 - Increases the residential water access charge to \$556.
 - Increases the water usage charge to \$3.72 per kilolitre.
 - Increases the residential access sewerage charge to \$1,133.
5. Increase the annual charge for existing users of the Queanbeyan Sewerage Scheme by 10% over 5 years (or 2% each year) plus the annual indexation – for the major upgrade and expansion of the Queanbeyan Sewerage Treatment Plant. The upgrade works are reliant on additional grant funding in addition to the 10% increase in user charges.
6. Harmonisation of Waste Management Charges, with a phased implementation over three years from 2021-22. The proposed pricing has been guided by the Waste Strategy and includes:
 - Programs to divert more waste to recyclable streams.
 - Expansion of the application of the General Waste Charge
 - Adjustment to domestic waste charges by locality.
7. All other annual charges will be increased by 2.0%.
8. Discretionary user fees and charges will be increased by a base level of 4%.

Palerang Communities Integrated Water Cycle Management Plan

Council adopted the Palerang Communities Integrated Water Cycle Management Plan in February 2019, and subsequently adopted the Development Servicing Plans and associated pricing structures for developers to contribute to the update and expansion of water and sewer infrastructure. The financial model forecast that was prepared as part of the planning process forecast that additional annual revenue is required to be raised for the upgrade and renewal of aging infrastructure. The draft 2021/22 Revenue Policy introduces a revised pricing and tariff structure for water and sewer ratepayers, that will provide appropriate funding for planned water and sewer network infrastructure renewal and upgrades. The result of the change is a one-off significant increase in water servicing charges for the Palerang Communities.

5.2 Adoption of 2021-22 Revenue Policy (Ref: ; Author: Knight/Robinson) (Continued)

Engagement

The draft Revenue Policy was placed on public exhibition for the period from 30 April to 7 June. During the exhibition period, the documents were advertised with the Operational Plan and available on Council's engagement website.

The Council received 10 submissions to the Revenue Policy, with the summary of submissions, and the full summary from the Braidwood Community Association, forming attachments to this report.

Conclusion

Each year Council considers the Operational Plan and Revenue Policy and must 'make the rate' and set annual charges to enable rate notices to be issued within the statutory timeframe. Up to half the general rate income per category can be levied as a base amount or 'base rate' to recover fixed costs of governance and certain community service obligations.

The following pages represents the terms of setting the rate, and forms the resolution of Council:

Recommendation

In accordance with section 533, 534, 535 and 566 of the *Local Government Act 1993* (the Act), Council makes the following Rates and Annual Charges for the period 1 July 2021 to 30 June 2022, being the financial year 2021/2022.

Annual Rates

Residential General

An ordinary rate will be levied on all rateable land categorised as "**Residential**" under section 516 of the Act which falls within the designated area of Queanbeyan-Palerang Regional Council as indicated on Page 2 of the Draft Revenue Policy 2021/22, consisting of an ad-valorem rate of zero point one seven seven cents in the dollar (0.177) calculated on the land value issued by the NSW Valuer-General's Office with base date 1 July 2019, and a base amount of three hundred and seventy eight dollars (\$378) which is equivalent to 33.22% of the total rates levied for this category in 2021/2022. In accordance with section 543(1) of the Act this rate be named "**Residential General**".

Residential Queanbeyan Urban

An ordinary rate will be levied on all rateable land sub-categorised as "**Residential Queanbeyan Urban**" under section 516 and section 529(2) (b) of the Act which falls within the designated area indicated on Page 20 of the Draft Revenue Policy 2021/22, consisting of an ad-valorem rate of zero point three three five nine eight cents in the dollar (0.33598) calculated on the land value issued by the NSW-Valuer General's Office with base date 1 July 2019, and a base amount of four hundred and eighteen dollars (\$418) which is equivalent to 32.85% of the total rates levied for this sub-category in 2021/2022. In accordance with section 543(1) of the Act this rate be named "**Residential Queanbeyan Urban**".

Residential Googong

An ordinary rate will be levied on all rateable land sub-categorised as "**Residential Googong**" under section 516 and section 529(2) (b) of the Act which falls within the designated area

5.2 Adoption of 2021-22 Revenue Policy (Ref: ; Author: Knight/Robinson) (Continued)

indicated on Page 20 of the Draft Revenue Policy 2021/22, consisting of an ad-valorem rate of zero point three three five nine eight cents in the dollar (0.33598) calculated on the land value issued by the NSW Valuer-General's Office with base date 1 July 2019, and a base amount of four hundred ninety dollars (\$490) which is equivalent to 33.24% of the total rates levied for this sub-category in 2021/2022. In accordance with section 543(1) of the Act this rate be named "**Residential Googong**".

Residential Bungendore

An ordinary rate will be levied on all rateable land sub-categorised as "**Residential Bungendore**" under section 516 and section 529(2) (b) of the Act which falls within the designated area indicated on Page 21 of the Draft Revenue Policy 2020/21, consisting of an ad-valorem rate of zero point two one six two eight cents in the dollar (0.21628) calculated on the land value issued by the NSW Valuer-General's Office with base date 1 July 2019, and a base amount of three hundred and seventy eight dollars (\$378) which is equivalent to 35.74% of the total rates levied for this sub-category in 2021/2022. In accordance with section 543(1) of the Act this rate be named "**Residential Bungendore**".

Residential Braidwood

An ordinary rate will be levied on all rateable land sub-categorised as "**Residential Braidwood**" under section 516 and section 529(2) (b) of the Act which falls within the designated area indicated on Page 21 of the Draft Revenue Policy 2021/22, consisting of an ad-valorem rate of zero point two one six two eight cents in the dollar (0.21628) calculated on the land value issued by the NSW Valuer-General's Office with base date 1 July 2019, and a base amount of three hundred and seventy eight dollars (\$378) which is equivalent to 49.52% of the total rates levied for this sub-category in 2021/2022. In accordance with section 543(1) of the Act this rate be named "**Residential Braidwood**".

Farmland Ordinary

An ordinary rate will be levied on all rateable land categorised as "**Farmland**" under section 515 of the Act which falls within the designated area of Queanbeyan-Palerang Regional Council, consisting of an ad-valorem rate of zero point one three zero four eight one cents in the dollar (0.130481) calculated on the land value issued by the NSW Valuer-General's Office with base date 1 July 2019, and a base amount of one thousand and one hundred and forty two dollars (\$1142) which is equivalent to 44.09% of the total rates levied for this category in 2020/2021. In accordance with section 543(1) of the Act this rate be named "**Farmland Ordinary**".

Business General

An ordinary rate will be levied on all rateable land categorised as "**Business**" under section 518 of the Act which falls within the designated area of Queanbeyan-Palerang Regional Council as indicated on Page 2 of the Draft Revenue Policy 2021/22 consisting of an ad-valorem rate of point one seven seven cents in the dollar (0.177) calculated on the land value issued by the NSW Valuer-General's Office with base date 1 July 2019, and a base amount of four hundred and eighteen dollars (\$418) which is equivalent to 42.37% of the total rates levied for this category in 2021/2022. In accordance with section 543(1) of the Act this rate be named "**Business General**".

**5.2 Adoption of 2021-22 Revenue Policy (Ref: ; Author: Knight/Robinson)
(Continued)**

Business Queanbeyan Urban

An ordinary rate will be levied on all rateable land sub-categorised as “**Business Queanbeyan Urban**” under section 518 and section 529(2) (d) of the Act which falls within the designated area indicated on Page 22 of the Draft Revenue Policy 2021/22, consisting of an ad-valorem rate of one point three cents in the dollar (1.3) calculated on the land value issued by the NSW Valuer-General’s Office with base date 1 July 2019, and a base amount of four hundred and fifty nine dollars (\$459) which is equivalent to 4.72% of the total rates levied for this sub-category in 2021/2022. In accordance with section 543(1) of the Act this rate be named “**Business Queanbeyan Urban**”

Business Poplars Business Park

An ordinary rate will be levied on all rateable land sub-categorised as “**Business Poplars Business Park**” under section 518 and section 529(2) (d) of the Act which falls within the designated area indicated on Page 25 of the Draft Revenue Policy 2020/21, consisting of an ad-valorem rate of one point eight one cents in the dollar (1.81) calculated on the land value issued by the NSW Valuer-General’s Office with base date 1 July 2019, and a base amount of six hundred and seventy three dollars (\$673) which is equivalent to 1.42% of the total rates levied for this sub-category in 2021/2022. In accordance with section 543(1) of the Act this rate be named “**Business Poplars Business Park**”.

Business Googong

An ordinary rate will be levied on all rateable land sub-categorised as “**Business Googong**” under section 518 and section 529(2) (d) of the Act which falls within the designated area indicated on Page 25 of the Draft Revenue Policy 2021/22, consisting of an ad-valorem rate of one point eight one cents in the dollar (1.81) calculated on the land value issued by the NSW Valuer-General’s Office with base date 1 July 2019, and a base amount of six hundred and seventy three dollars (\$673) which is equivalent to 10.35% of the total rates levied for this sub-category in 2021/2022. In accordance with section 543(1) of the Act this rate be named “**Business Googong**”.

Business CBD

An ordinary rate will be levied on all rateable land sub-categorised as “**Business CBD**” under section 518 and section 529(2) (d) of the Act which falls within the designated area indicated on Page 24 of the Draft Revenue Policy 2021/22, consisting of an ad-valorem rate of one point eight one cents in the dollar (1.81) calculated on the land value issued by the NSW Valuer-General’s Office with base date 1 July 2019, and a base amount of six hundred and seventy three dollars (\$673) which is equivalent to 5.99% of the total rates levied for this sub-category in 2021/2022. In accordance with section 543(1) of the Act this rate be named “**Business CBD**”.

Business Industrial

An ordinary rate will be levied on all rateable land sub-categorised as “**Business Industrial**” under section 518 and section 529(2) (d) of the Act which falls within the designated area indicated on Page 23 of the Draft Revenue Policy 2021/22, consisting of an ad-valorem rate of zero point eight zero five one seven three in the dollar (0.805173) calculated on the land value issued by the NSW Valuer-General’s Office with base date 1 July 2019, and a base amount of four hundred and fifty nine dollars (\$459) which is equivalent to 11.61% of the total rates levied for this sub-category in 2021/2022. In accordance with section 543(1) of the Act this rate be named “**Business Industrial**”.

5.2 Adoption of 2021-22 Revenue Policy (Ref: ; Author: Knight/Robinson) (Continued)

Mining

An ordinary rate will be levied on all rateable land categorised as “**Mining**” under section 517 of the Act, consisting of an ad-valorem rate of zero point five six five zero seven five cents in the dollar (0.565075) calculated on the land value issued by the NSW Valuer-General’s Office with base date 1 July 2019, and a base amount of one thousand one hundred and twenty two dollars (\$1,122) which is equivalent to 4.73% of the total rates levied for this category in 2021/2022. In accordance with section 543(1) of the Act this rate be named “**Mining**”.

Annual Charges

Domestic Waste Management Annual Charges

A domestic waste management annual charge will be levied on each parcel of rateable land for which the service is available in accordance with section 496(1) and section 496(2) and a domestic waste management annual charge will be levied on land that is exempt from rating if the owner requests the service, as follows;

Type	Charge 2021-22
Urban - SUD - 140L Red, 240L Yellow & Green	\$ 315
Rural - SUD - 240L Yellow	\$ 82
Vacant - Urban & Rural	\$ 28
Urban - MUD - 140L Red, 240L Yellow & Green	\$ 315
Urban - MUD - 240L Red, 240L Yellow & Green	\$ 416
Rural - SUD - Bin Compound	\$ 160
Urban - MUD - 140L Red, 240L Yellow	\$ 205
Urban - MUD - 140L Red, 240L Yellow	\$ 190
Rural - SUD - 140L Red, 240L Yellow	\$ 170
ADDITIONAL 140L WASTE BIN (URBAN COLLECTION ZONES - WEEKLY COLLECTION - PER BIN)	\$ 148
ADDITIONAL 240L WASTE BIN (URBAN COLLECTION ZONES - WEEKLY COLLECTION - PER BIN)	\$ 176
ADDITIONAL 240L WASTE BIN (RURAL COLLECTION ZONES - FORTNIGHTLY COLLECTION - PER BIN)	\$ 80
ADDITIONAL 240L RECYCLING BIN (URBAN AND RURAL ZONES - FORTNIGHTLY COLLECTION - PER BIN)	\$ 79
ADDITIONAL 240L FOGO BIN (URBAN ZONES - FORTNIGHTLY COLLECTION - PER BIN) (AVAILABLE TO STRATA COMPLEXES WITH CHARGES LEVIED TO BODY CORPORATE)	\$ 79
UPSIZE 140L WASTE TO 240L WASTE - WEEKLY COLLECTION	\$ 101
UPSIZE 140L WASTE TO 360L WASTE (URBAN COLLECTION ZONES - WEEKLY COLLECTION - PER BIN - EXISTING SERVICES ONLY)	\$ 202
UPSIZE 240L WASTE TO 360L WASTE (RURAL COLLECTION ZONES - FORTNIGHTLY COLLECTION - PER BIN - EXISTING SERVICES ONLY)	\$ 101
UPSIZE 240L RECYCLING TO 360L RECYCLING (URBAN AND RURAL ZONES - FORTNIGHTLY COLLECTION - PER BIN - EXISTING SERVICES ONLY)	\$ 50

5.2 Adoption of 2021-22 Revenue Policy (Ref: ; Author: Knight/Robinson) (Continued)

Non-residential Waste Management Annual Charge

In accordance with the provisions of sections 501, 502 and 535 of the Act Council proposes to provide waste management services and levy a non-residential waste management annual charge on all rateable land categorised as business, as follows;

Type	Charge 2021-22
BW1 waste availability charge	\$137
BW2 for each 240L Waste bin	\$133
BW4 for each 240L Recycling bin	\$94
BW8 for each 240L Greenwaste bin	\$90

General Waste Charge

In accordance with the provisions of sections 501 and 535 of the Act Council proposes to provide general waste services and levy a general waste charge on all rateable land and those properties which are exempt from rates under section 555 and 556, and excluding land categorised as business, as follows;

Property Service Locality	Qualifier	Charge
All areas of the former Palerang Council LGA excluding areas west of Queanbeyan River	Annual charge per assessment	\$362
All areas of the former Palerang Council LGA west of Queanbeyan River	Annual charge per assessment	\$80
All areas of the former Queanbeyan City Council LGA	Annual charge per assessment	\$80

Water Annual Access Charges

Queanbeyan Water Services

In accordance with the provisions of section 501 and 535 of the Act a water access charge of \$283 will be levied on all rateable land categorised as residential within the defined area of the former Queanbeyan City Council.

All strata and non-strata units or dual occupancy properties will be charged an annual water access charge equivalent to a 20mm water access charge for each single occupancy (e.g. unit, flat or granny flat).

In the case of non-residential properties and properties exempt from rates an annual Water Access Charge will be applied for each connection according to the size of the water meter service connection/connections to the property as per the following table.

An annual water access charge equivalent to a 20mm water access charge will apply to each parcel of rateable land which does not have a water service connected but to which a water service is available in accordance with the provision of section 552(1)(b) of the Act.

5.2 Adoption of 2021-22 Revenue Policy (Ref: ; Author: Knight/Robinson) (Continued)

Meter Size	Annual Charge
20 mm	\$283
25 mm	\$442
32 mm	\$723
40 mm	\$1,130
50 mm	\$1,766
65 mm	\$2,984
80mm	\$4,521
100 mm	\$7,064
150mm	\$15,893

Palerang Communities Water Services

In accordance with the provisions of section 501 and 535 of the Act a water access charge will be levied on all rateable land, including strata units, and those properties which are exempt from rates under section 555 and 556 within the benefit areas of the Bungendore, Braidwood and Captains Flat water supply schemes to which the water supply is available and connected, in accordance with the number and size of water service meters connected to the land, as per the following table.

An annual water access charge equivalent to a 20mm water access charge will be levied on all rateable land which does not have a water service connected but to which a water service is available in accordance with the provision of section 552(1)(b) of the Act.

Meter Size	Annual Charge
20 mm	\$556
25 mm	\$869
32 mm	\$1,423
40 mm	\$2,224
50 mm	\$3,475
65 mm	\$5,873
80mm	\$8,896
100 mm	\$13,900
150mm	\$31,275

Water Usage Charges

A charge will be raised in accordance with Section 502 of the Act for the use of Water Supply Services on a quarterly basis on properties within the defined area of the former Queanbeyan City Council. Water usage will be charged at a single variable rate of **\$4.18** per kl on all usage recorded through the water meter or meters connected to the property.

A charge will be raised in accordance with Section 502 of the Act for the use of Water Supply Services on a quarterly basis on properties within the benefit areas of the Braidwood, Bungendore and Captains Flat Water Supply Schemes. Water usage will be charged at a

5.2 Adoption of 2021-22 Revenue Policy (Ref: ; Author: Knight/Robinson) (Continued)

single variable rate of **\$3.72** per kl on all usage recorded through the water meter or meters connected to the property.

Recycled Water Annual Access Charge

All rateable land within the defined area of Googong Township will be charged an Annual Recycled Water Access Charge equivalent to a 20mm Water Access Charge in accordance with section 501 of the Act.

All strata and non-strata units or dual occupancy properties will be charged an Annual Recycled Water Access Charge equivalent to a 20mm Recycled Water Access Charge for each single occupancy (e.g. unit, flat or granny flat).

In the case of non-residential properties and properties exempt from rates an annual Recycled Water Access Charge will be applied for each connection according to the size of the water meter service connection/connections to the property as per the following table.

An Annual Water Access Charge equivalent to a 20mm Recycled Water Access Charge will apply to each parcel of rateable land which does not have a water service connected but to which a water service is available in accordance with the provision of section 552(1) (b) of the Act.

Meter Size	Annual Charge
20 mm	\$283
25 mm	\$442
32 mm	\$723
40 mm	\$1,130
50 mm	\$1,766
65 mm	\$2,984
80mm	\$4,521
100 mm	\$7,064
150mm	\$15,893

Recycled Water Usage Charge

To promote water conservation, the pricing of recycled water has been calculated at the rate of 5% below the potable water prices.

A charge will be raised in accordance with Section 502 of the Act for the use of Recycled Water Supply Services on a quarterly basis on the usage recorded through the water meter or meters connected to the property. Water usage will be charge at a single variable rate of **\$3.97** per kl.

Queanbeyan Sewerage Access Charges

In accordance with the provisions of section 501 a sewerage access charge of \$736.00 will be levied on all residential properties within the defined area of the former Queanbeyan City Council.

5.2 Adoption of 2021-22 Revenue Policy (Ref: ; Author: Knight/Robinson) (Continued)

All strata and non-strata units or dual occupancy properties within the defined area of the former Queanbeyan City Council will be charged an annual sewerage service charge for each single occupancy (e.g. unit, flat or granny flat).

In the case of non-residential properties and properties exempt from rates within the defined area of the former Queanbeyan City Council Annual Sewerage Service Charge will be applied according to the size of the water meter service connection/connections to the property as per the following table.

An Annual Sewerage Service Charge – Vacant Land will apply to each parcel of rateable land within the defined area of the former Queanbeyan City Council which does not have a sewerage service connected but to which a sewerage service is available in accordance with the provision of section 552(3) (a) of the Act.

Meter Size	Annual Charge
20 mm	\$736
Vacant Land	\$479
25 mm	\$1,150
32 mm	\$1,886
40 mm	\$2,945
50 mm	\$4,602
65 mm	\$7,777
80 mm	\$11,781
100 mm	\$18,408
150 mm	\$41,418

Palerang Communities Sewerage Access Charge

In accordance with the provisions of section 501 and 552(3)(a) a sewerage access charge of \$1,133.00 will be levied on all residential properties within the benefit areas of the Bungendore, Braidwood and Captains Flat Sewerage Schemes.

In accordance with the provisions of section 501 and 552(3)(a) a sewerage access charge will be levied on all non-residential properties within the benefit areas of the Bungendore, Braidwood and Captains Flat Sewerage Schemes as per the following table.

**5.2 Adoption of 2021-22 Revenue Policy (Ref: ; Author: Knight/Robinson)
(Continued)**

Meter Size	Annual Charge
20 mm	\$1,304
Not connected	\$1,304
25 mm	\$2,038
32 mm	\$3,338
40 mm	\$5,216
50 mm	\$8,150
65 mm	\$13,774
80 mm	\$20,864
100 mm	\$32,600
150mm	\$73,350

Sewerage Usage Charges

In accordance with the provisions of section 502 the following sewer usage charges will be levied.

Sewerage usage charge on all non-residential properties within the defined area of the former Queanbeyan City Council are calculated by applying business category SDF as defined in the NSW Office of Water, Liquid Trade Waste Regulations Guidelines April 2009 to the Sewerage Usage Charge of **\$1.27** per kl.

Sewerage usage charges for non-residential properties within the benefit areas of the Bungendore, Braidwood and Captains Flat Sewerage Scheme are calculated by applying the following business category SDF to the Sewerage Usage Charge of **\$3.14** per kl.

Land Use Description	SDF
General Main Street Businesses Shop Newsagency Cafes & Restaurants Motels Council Offices Laundromat	95%
Schools	90%
Factories Hospitals Service Clubs Hotels	85%
Churches	70%
Concrete Works	5%

**5.2 Adoption of 2021-22 Revenue Policy (Ref: ; Author: Knight/Robinson)
(Continued)**

Liquid Trade Waste Annual Charges

In accordance with the provisions of section 502 of the Act Council resolves to make the following liquid trade waste annual charges for all rateable land not categorised as non-residential within the benefit areas of the Queanbeyan sewerage scheme:

Discharge category	Compliance	Annual Charge	Usage per kl
One	Complying	\$120.00	\$0.00
One	Non Complying	\$120.00	\$2.57
Two	Complying	\$120.00	\$2.57
Two	Non Complying	\$120.00	\$19.71
Three		\$780.00	As stated in liquid trade waste excess mass charges in the schedule of fees and charges

In accordance with the provisions of section 502 of the Act Council resolves to make the following liquid trade waste annual charges for all rateable land not categorised as non-residential within the benefit areas of the Bungendore, Braidwood and Captains Flat sewerage schemes:

Discharge category	Compliance	Annual Charge	Usage per kl
One	Complying	\$98.00	\$0.00
One	Non Complying	\$98.00	\$3.21
Two	Complying	\$196.00	\$3.21
Two	Non Complying	\$196.00	\$19.00
Three		\$655.00	As stated in liquid trade waste excess mass charges in the schedule of fees and charges

Stormwater Management Charge

In accordance with section 496A of the Act, Council will levy the following stormwater management charges on all rateable properties for which the service is available that are within Council's urban stormwater catchment areas:

Properties categorised as Residential (not being strata titled)

A flat charge of \$25.00 for a stormwater management service charge is to be charged against each eligible assessment categorised as residential within the urban stormwater catchment.

5.2 Adoption of 2021-22 Revenue Policy (Ref: ; Author: Knight/Robinson) (Continued)

Properties categorised as residential (strata units)

A flat charge of \$12.50 for a stormwater management service charge is to be levied against each eligible residential strata unit within the urban stormwater catchment.

Properties categorised as business (not being strata titled)

Queanbeyan Area - A stormwater management service charge is to be charged against each eligible assessment (not being strata titled) categorised as business within the urban stormwater catchment area based on the total area of the assessment. A charge of \$25.00 for every 350 square metres or part of 350 square metres will apply, with a minimum charge of \$25.00 to apply for those properties with an area of less than 350 square metres.

Braidwood and Bungendore - A stormwater management service charge is to be charged against each eligible assessment (not being strata titled) categorised as business within the urban stormwater catchment area based on the total area of the assessment. A charge of \$25.00 for every 1,200 square metres or part of 1,200 square metres will apply, with a minimum charge of \$25.00 to apply for those properties with an area of less than 1,200 square metres.

Properties categorised as business (strata units)

A stormwater management service charge against each eligible business strata unit within the urban stormwater catchment area based on one of the following two scenarios:

1. Business strata units only

Where a strata complex contains only business properties and is not mixed development the charge per strata unit will be calculated by using a charge of \$25.00 per 350m² of the land area occupied by the strata scheme (or part thereof), proportioned by the unit entitlement of each lot in the strata scheme with a minimum charge of \$12.50 levied on each strata unit.

2. Business & residential strata units (mixed development)

If the strata complex includes properties rated as both business and residential the dominant category of the strata scheme must be determined and charges will apply for business strata units or residential strata units as previously adopted. In the event that a mixed development is 50% residential and 50% business, council has the discretion to determine whether to charge the property as a residential or business property.

Urban Land Exempt from the Stormwater Management Service Charge

The same exemptions that apply to non-rateable properties for other rates and charges also apply in respect of the stormwater management service charge pursuant to the Local Government Act. In addition, the following properties are also exempted from this charge under the provisions:



- Rateable land owned by the Crown
- Rateable land under a lease for private purposes granted under the *Housing Act 2001* or the *Aboriginal Housing Act 1998*

**5.2 Adoption of 2021-22 Revenue Policy (Ref: ; Author: Knight/Robinson)
(Continued)**

Interest on Overdue Rates & Charges

In accordance with Section 566 of the Act, interest will accrue on outstanding rates and charges at the rate of six per cent (6%) per annum simple interest calculated daily from 1 July 2021.

Attachments

- Attachment 1  Summary of Submissions to the 2021-22 Revenue Policy (*Under Separate Cover*)
- Attachment 2  Full Summary of Submission from the Braidwood Community Association (WS09) (*Under Separate Cover*)

5.3 Adoption of Operational Plan and Fees and Charges 2021-22 (Ref: ; Author: Knight/Tozer)

File Reference: 51.1.4

Summary

The draft Operational Plan and Fees and Charges were presented to Council on 28 April and were subsequently endorsed for public exhibition.

The exhibition process has been completed, a workshop on submissions held with councillors and all submissions are presented for consideration prior to adopting the plans.

Recommendation

That:

1. Following the consideration of submissions made on the draft Integrated Planning documents and in accordance with Section 405(5) of the *Local Government Act 1993*
 - a. Council determine if the items identified in the 'budget considerations' document, or other projects, will be retained or removed from the budget, then
 - b. Council endorse the staff recommendations associated with submissions OP002, OP004, OP006, OP010, OP021 and OP046, and
 - c. Council adopt the Operational Plan 2021-22 with the amendments shown below:

Submission	Budget movement	Funding source
OP001 + OP002 – realign Bungendore Tennis Club car park – funded from maintenance budget	Nil	Revenue
OP002 – construct shared pedestrian/bike path as part of playground project	Estimate TBA	\$7.11 cont'ns
OP006 – basic 'aesthetic' improvements within routine maintenance budgets for dressing sheds at Queanbeyan Park	Nil	Revenue
OP011 – add 20-22 Lorn Rd to Property Addendum for potential sale	Nil	
BC008 – Remove project 104509 from budget	-\$31,000	Revenue

2. In accordance with Clause 211(2) of the Local Government (General) Regulation 2005, Council approve expenditure in the adopted Operational Plan 2021-22.
 3. In accordance with Clause 211(2) of the Local Government (General) Regulation 2005, Council vote funds to meet the expenditure in the adopted Operational Plan 2021-22
 4. Council adopt the Fees and Charges 2021-22 in accordance with Section 608 of the *Local Government Act 1993* subject to recommendation 5 and adjustments as shown in recommendations for submissions FCRP01 and FCRP06, following consideration of
 - a. the preferred action regarding the loan for the Jerrabomberra Tennis Club (OP045) – waive or reduce or extend period for loan payment, or continue on current terms
 - b. whether to charge the electronic timesheet fee for Family Day Care educators in 2021-22
-

5.3 Adoption of Operational Plan and Fees and Charges 2021-22 (Ref: ; Author: Knight/Tozer) (Continued)

- 5. Council note that the adopted Integrated Plans will be available to the public via Council's website, following amendments shown in this report.**
 - 6. Those persons who made submissions to the draft Integrated Plans be thanked for their submission and be advised in writing of Council's decisions.**
-

Background

In regular years, the Operational Plan (OP) would reflect one year of the adopted Delivery Program. However, QPRC's Delivery Program expires on 30 June 2021. The new Delivery Program was due for adoption by 30 June, however as the local government election was postponed by 12 months due to COVID, all NSW councils will operate without a Delivery Program in 2021-22.

The draft Operational Plan and Fees and Charges for 2021-22 were developed by staff during January-March, having regard to the financial plan and other resolutions of Council related to the OP, prior to a Council workshop in early April to discuss the key projects, issues and movements.

Following the workshop in April, the draft plans were presented to Council ahead of the public exhibition phase.

At the 28 April meeting, Council resolved to highlight a number of items that may be considered for reduction or removal from the budget to address issues in the General Fund budget for 2021-22. Council requested that community feedback be sought on the removal of these specific projects. While a number of projects were identified, a further workshop was held with Council in early May to consider further budget measures.

Following this workshop, councillors provided feedback to staff on further budget measures. Staff have assessed the viability of those budget measures. These measures are further discussed in the Financial section of this report.

Implications***Engagement***

The draft Operational Plan and Fees and Charges were exhibited with the Revenue Policy, draft Waste Strategy and draft Palerang water and sewer tariffs during April, May and June 2021.

The Operational Plan and Fees and Charges were exhibited between 30 April and 7 June, longer than the required 28-day period.

The exhibition period was advertised via Council's regular advertisements and Mayoral Column in the Regional Independent, Council's weekly e-newsletter, social media and media releases. Additionally, Council held community meetings in Queanbeyan, Braidwood and Bungendore where an overview of the documents and impacts to ratepayers were presented. All subscribers to the Your Voice engagement website (3,250) received two email updates regarding the exhibition period.

5.3 Adoption of Operational Plan and Fees and Charges 2021-22 (Ref: ; Author: Knight/Tozer) (Continued)

Along with the Operational Plan, Council sought feedback on the potential reduction or removal of the following projects and programs from the 2021-22 budget:

Project	Description	Amount (\$,000)
100966, 100698	Queanbeyan Aquatic Centre capital enhancement	115
104089	Smart City Working Group projects	30
100359	Security Project – Access Control and key replacement	147
104064, 104065, 104077	Community halls property refurb / renewal	115
104295	Captains Flat Pool major leak rectification	200
104300	Bungendore Depot security gates install	100
101002	Local Roads Renewal, including gravel resheeting (noting the expanded works funded by disaster funding (see Appendix 2)	700
3180	Donations Program	60
1020	Community Donations including rate relief	141
3020	Cultural Arts Assistance Scheme	25
5445	Sports Assistance	7
100922, 100923	Events Sponsorship Schemes Category one and two	185
104504, 104505, 104509, 104510, 104511	Footpath extensions <ul style="list-style-type: none"> • Jerrabomberra: Firethorn Place link – Coachwood Ave to carpark • Jerrabomberra: Poplar Cr to Edwin Land Parkway • Bungendore: Malbon St (Majara to Butmaroo) • Bungendore: Molonglo St (Gibraltar to Malbon) • Bungendore: Forster St 	215
Total		2,040

Staff have reviewed all submissions and provided comments and recommendations. Submissions were discussed with councillors at a workshop on 9 June. A summary table and full copies of all submissions were provided to councillors via email and in hard copy on Friday 11 June. Text in the attached summary of submissions that is shown in red highlights a change made by staff between 9 June and the finalisation of this report.

Council received 81 submissions, with 45 on the draft Operational Plan, 30 on the list of budget considerations and six on the Fees and Charges (six).

Due to the General Fund budget issues highlighted below, staff have not recommended any of the submissions be added to the budget. One of the projects identified in the budget considerations list is recommended for removal as the project has since been completed.

5.3 Adoption of Operational Plan and Fees and Charges 2021-22 (Ref: ; Author: Knight/Tozer) (Continued)

Of the submissions made, the following require a decision of Council. The impact of decisions have been outlined in the attachment:

Submission	Submission request	Budget impact (U = unfavourable, F = favourable, N = neutral)	Staff recommendation
OP001	Realign Bungendore Tennis Club car park	N	Council support the realignment of the Bungendore Tennis car park
OP002	<ol style="list-style-type: none"> 1. Realign Bungendore Tennis Club car park 2. Relocate Balladeers Place or Poets Corer to southern end of park, not northern end as currently proposed 3. Shared pedestrian/bike paths as part of playground project 	<ol style="list-style-type: none"> 1. N 2. N 3. Funded from S7.11 cont'n plan 	<ol style="list-style-type: none"> 1. As above 2. Council to consider relocation of Poets corner to Frogs Hollow (23 June meeting). 3. Council support the construction of a shared path from Gibraltar St to Turallo Tr. via the Bungendore Park, and that the project be included into the S7.11 plan.
OP004	Request for upgrades at River Bank Café in Queanbeyan	U	Project progression reliant on funding being identified
OP006	Request for maintenance for dressing sheds at Queanbeyan Park and upgrades to Youth Centre and Tree House.	Nil at this stage	Conduct basic 'aesthetic' improvements under routine maintenance budgets. Defer improvements to Axis Youth Centre and Tree House to a future workshop of Council.
OP010	Request for upgrade of perimeter fencing for Queanbeyan Bowls Club.	Nil at this stage	Staff to present submission to QPRC Sports Council
OP011	Add property at 20-22 Lorn Rd to Property Addendum for potential sale	F – value not yet determined	Add 20-22 Lorn Rd to the property addendum in the Operational Plan for potential sale during 2021-22.
OP021	Maslin Place drainage solution	U - \$1.5-2m	Council progress the project to 'shovel ready' stage and note that it will not be constructed until funding is identified
OP045	Request to consider loan payment arrangements for Jerrabomberra Tennis Club	Various	Council consider whether it amends the annual loan payment from the Jerrabomberra Tennis Club.
FCRP01	Requests changes to Utilities charges, including <ol style="list-style-type: none"> 1. Wheel in, wheel out service charge 2. Electronic waste 	Various	<ol style="list-style-type: none"> 1. Remove fee 2. Amend fees and charges as per submission FCRP06

5.3 Adoption of Operational Plan and Fees and Charges 2021-22 (Ref: ; Author: Knight/Tozer) (Continued)

Submission	Submission request	Budget impact (U = unfavourable, F = favourable, N = neutral)	Staff recommendation
	3. Batteries 4. Mobile phones 5. Commercial waste – Veolia arrangement 6. Gate fees – without a tip pass 7. Supply of bulk water		3. Amend fees and charges as per submission FCRP06 4. Amend fees and charges as per submission FCRP06 5. No change 6. Amend fees and charges as per submission FCRP06 7. Amend fees and charges
FCRP06	Internal submission – amending fees and charges to match Waste Strategy	Various	Amend fees and charges in line with submission
BC008	Notes project 104509 has been completed	F - \$31,000	Remove project from budget

Financial

The draft Operational Plan includes a detailed budget and capital works program for the upcoming financial year.

Council's consolidated operating budget surplus of \$428,000 in 2021-22 is an improvement on the long term financial plan for 2021-22. However the General Fund budget has fallen from a forecast operating deficit of \$3.2 million, to a budget operating deficit of \$6.5 million including losses of around \$2m as a consequence of COVID and natural disasters. Whilst Council has recognised \$1.7 million budget savings through organisational structural improvements between 2020 and 2021, overall the costs of operating Council's services and infrastructure has increased in real terms beyond the annual value of the rate peg – essentially due to external increases to award, emergency service and utilities costs.

The capital works program is fully funded through a combination of capital grants, developers contributions, new loans and reserve funds.

During the exhibition period, Council adopted the March quarter budget review. This review included the deferral of a number of projects from 2020-21 to 2021-22. As such, this has had a positive impact on the operational budget position for 2021-22 due to the shift in loan borrowings and payments, and 4% capital works charge attributed to the operational budget. As such, the deficit has improved to \$5.5m. Councillors will consider a number of budget adjustments as part of this report to reduce the deficit further.

While the Water, Sewer and Waste Funds are sustainable, the General Fund continues to bear the brunt of external cost increases greater than the ability of Council to raise its own general purpose revenues (above the rate peg). For example, the \$795k increase in general rate total income is dwarfed by the increases in expenditure set by external influences, while depreciation expense generated by new assets has grown \$2.25m:

- local government award increase \$1.022m
- emergency services contribution to government \$0.435m
- insurances \$0.160m
- utilities \$0.500m

5.3 Adoption of Operational Plan and Fees and Charges 2021-22 (Ref: ; Author: Knight/Tozer) (Continued)

Confirmation of a recent announcement that the Government will fund the full ESL increase is yet to be received. Staff proposed the approx. \$2m adjustments shown under 'Engagement' to the draft budget at a workshop in April to mitigate the General Fund deficit above that forecast in the LTFP in the short term. These budget reductions would not be sustainable measures in the longer term as they reduce the rate of asset renewal, but can be taken as a one-off adjustment without affecting long term asset ratios. Longer term strategies will take time to plan and will include a prioritisation of services and consideration of an infrastructure special rate variation from July 2023.

These budget adjustments have not been included to the draft budget, with Council requesting community feedback prior to making the adjustments

Rating Legislation

Further to a report on changes to legislation at the 23 June meeting, a separate item in this agenda will outline the proposed review and implementation of changes to the rating structure and revenues during 2021-22.

Environment levy

While not impacting the 2021-22 budget, Council did flag to possibility of an Environmental Levy via Special Rate Variation commencing from 1 July 2023. A report to Council in May 2021 recommending commencing community engagement was not supported by Council. The matter has been deferred until after the Council election and reference to the levy will be removed from the adopted documents prior to publication on the website.

Conclusion

Adoption of the 2021-22 Operational Plan and Fees and Charges will determine the budget for Council for the new financial year and allow a range of projects to be undertaken across the local government area.

Attachments

- | | |
|--------------|---|
| Attachment 1 | Summary of Submissions - Operational Plan and Fees and Charges
<i>(Under Separate Cover)</i> |
| Attachment 2 | Collated full submissions <i>(Under Separate Cover)</i> |

5.4 Operational Plan - Rating Reform and the Local Government Amendment Act 2021 (Ref: ; Author: Knight/Monaghan)

File Reference: 43.2.1-15

Summary

The *Local Government Amendment Act 2021* was passed by NSW Parliament on 13 May 2021 and has come into effect, although some reforms will commence by proclamation after the Office of Local Government releases further guidelines and regulations.

The Amendment Act includes reforms to increase the flexibility of rating structures for councils and ratepayers, and will require Council to consider how to apply the new provisions if changes will support a fairer revenue policy.

This report provides a summary of the activities to be undertaken by Council in the 2021/22 financial year, to prepare for the inclusion of new legislative provisions on the 2022/23 Revenue Policy.

Recommendation

That Council endorse the proposed actions to be undertaken during 2021/22, arising as a result of the rating reforms that came into effect with the *Local Government Amendment Act 2021*.

Background

The Amendment Act was passed in May 2021 further to a Government commitment to review local government rates and improve local government financial sustainability. The Government commissioned IPART to prepare a report with recommendations released in June 2019; and whilst some recommendations were ruled out, others became a basis for the legislative change. The Government subsequently commissioned IPART to review the rate peg to account for population change in 2021.

A number of these changes are dependent on further legislative reform, the additional IPART report and Ministerial Guidelines, that will all involve opportunities for significant stakeholder consultation.

Actions arising for Council out of the legislative reform include advocacy for outcomes that will benefit the QPRC community, planning for revenue reforms, and consideration of new options that have been created.

Advocacy

Pensioner Rebates – IPART’s recommendations to improve support to pensioners were ruled out by Government; however the issue has not been resolved and pensioner concessions have not been indexed for years.

Proposed Action: The issue of increased support for pensioners is recommended to be included in advocacy work by Council, with the State Government being asked to increase the mandatory \$250 pensioner rebate by CPI and increase the rebate to Council from 55% to 100% of the pensioner rebate, similar to other states and territories.

5.4 Operational Plan - Rating Reform and the Local Government Amendment Act 2021 (Ref: ; Author: Knight/Monaghan) (Continued)

Rates Exemptions – IPART’s recommendation was to better target rate exemption eligibility so that exemptions are based on land use rather than ownership, and this was ruled out by Government.

Proposed Action: Council should continue to advocate for a fairer result, in accordance with the IPART review.

Emergency Services Levy – Although changes to the Emergency Services Levy were included in the Amendment Act, the Government has provided advice that the change is not effective as the FESL legislation was deferred. A further Bill has been introduced that is due to be discussed by the Lower House this month that is designed to provide a mechanism to charge the ESL on rates notices outside of the rate cap.

Proposed Action: Subject to the outcome of this Bill, Council continue to advocate with Regional Cities NSW, CRJO and LGNSW, and consider the impacts on its 2022/23 Revenue Policy and LTFF, and next steps.

Review of the Rate Peg to Include Population Growth – Council’s submission to the current IPART review of the rate peg methodology included a range of considerations to support rates revenue increases for councils that are experiencing growth, and supporting increased demands driven by expanding infrastructure (maintenance and renewal) and population (services.)

The potential introduction of infrastructure, environmental or energy rate levies by councils, to mitigate demands on infrastructure and services from population growth, or additional conservation to manage public lands; and leverage government grants and development activity, could direct new expenditures to areas of contemporary demand. While these would be additional charges to ratepayers, the levies would be ring-fenced for planning, accounting and reporting to community, and supports the financial sustainability of the local government.

Proposed Action: Council will continue to advocate with Regional Cities NSW, CRJO and LGNSW and provide information and analysis to support this review, with the release of the IPART discussion paper anticipated in July, and final report in September.

Conservation Agreements – The Amendment Act allows for regulations to be made to specify circumstances under which the rating exemption for land subject to conservation agreement may be removed.

Proposed Action: Council will contribute to stakeholder consultation to support a fair outcome, that ensures incentives for land conservation remain in place, and that reduces the current excessive administrative cost to Council.

Planning

Infrastructure Levy – The Amendment Act allows councils to levy a special rate for infrastructure that is jointly funded with other government entities. The income does not form part of Council’s general income under the rate peg. This provision will commence by proclamation, once regulations are made.

Proposed Action: Pending the release of regulations, council will prepare an Infrastructure Levy Plan to consider the options for an infrastructure levy to support new infrastructure construction and reduce the impact of loans on future ratepayers. Council to continue to advocate to enable the Levy to co-fund government grants and development contributions to support new infrastructure.

5.4 Operational Plan - Rating Reform and the Local Government Amendment Act 2021 (Ref: ; Author: Knight/Monaghan) (Continued)

Environmental Land – A new optional rating category for environmental land will be created where meaningful development is constrained by geography or regulation that imposes significant restrictions on use, such as conservation agreements. This provision will commence by regulation, once regulations are made.

Proposed Action: Pending the release of regulations, Council will prepare a further report on the potential environmental land rating category, and the impact on ratepayers. Council to continue to advocate with RCNSW and CRJO, to introduce an energy rate category to capture solar, wind, hydro, CSG and WTE energy installations.

New Options

Postponed Rates - The Amendment Act places limits on the current provisions that allow eligible ratepayers to postpone rates due to a change in the permitted use of their land. This will still allow owner occupiers who would face hardship to apply to council for a postponement of the portion of their rates that have increased due to rezoning.

Proposed Action: Council will consider how to support ratepayers in these situations through inclusion of additional provisions in a revised Hardship Policy.

Financial

Several of the changes that have been included with the Amendment Act have the potential to impact Council's financial sustainability, and these will be considered with Council's review of its long term financial plan. In particular, amendments relating to the Emergency Services Levy, the Review of the Rate Peg to Include Population Growth and the Infrastructure Levy would allow Council to increase its revenue to meet the cost of infrastructure and service provision.

Attachments

Attachment 1  OLG Circular - Commencement of Local Government Amendment Act 2021 (Under Separate Cover)

6 NOTICE OF INTENTION TO DEAL WITH MATTERS IN CLOSED SESSION

It is necessary for the Council to adopt a resolution to formalise its intention to deal with certain matters in Confidential Session. The reports are incorporated in the “confidential” business paper which has been circulated to Councillors.

The *Local Government Act, 1993* requires the General Manager to identify those matters listed on the business paper which may be categorised as confidential in terms of Section 10A of the *Local Government Act, 1993*.