



**MINUTES OF THE PUBLIC FORUM
HELD ON 21 DECEMBER 2022**

1. Opening

The Public Forum commenced at 5.33pm.

2. Presentations relating to listed Items on the Council Agenda

The following presenters were heard:

	Name	Item no	Item description	For/Against
1	Emma Brooks Maher	9.1	State Significant Development - SSD - Bungendore High School - Proposed Council Submission Following Exhibition of Response to Submissions Report No.2	Against
2	Hugh Percy	9.8	Queanbeyan Micro-Forests Proposal	Comment
3	Ian Flawith	9.11	Edwin Land Parkway Noise Assessment	For
4	Peter Kontis	9.11 and 9.12	Edwin Land Parkway Noise Assessment and Ellerton Drive Noise Assessment	For Against

The following written presentations were received:

	Name	Item no	Item description	For/Against
1	Save Bungendore Park Inc	9.1	State Significant Development - SSD - Bungendore High School - Proposed Council Submission Following Exhibition of Response to Submissions Report No.2	For
2	Mark Lintermans	9.1	State Significant Development - SSD - Bungendore High School - Proposed Council Submission Following Exhibition of Response to Submissions Report No.2	Against
3	Emma Brooks Maher	9.1	State Significant Development - SSD - Bungendore High School - Proposed Council Submission Following Exhibition of Response to Submissions Report No.2	Against
4	Richard Graham	9.24	2022-23 Borrowing Program	Against

3. Petitions

There were no petitions submitted.

4. 'Questions on Notice' from the Public

Responses to the following 'Questions on Notice' received up to 14 December 2022 were provided and tabled at the meeting (see attached for responses):

Nos	Received from	In relation to:
1	Mark Schweikert	Resolution no 043/22 re Council's roads capacity
2	Mark Schweikert	Resolution no 342/21 re bus top on Ashby Drive
3-34	Queanbeyan Ratepayers and Residents' Association	Proposed special rate variation
35-40	Courtney Holmes	Proposed special rate variation

5. Presentations by Invitation from the CEO

A presentation was delivered by Mr Michael Kharzoo, Director Financial Audit Services from the NSW Audit Office, regarding the audit opinion and finalisation of the 2021/2022 Audited Financial Statements and Independent Auditors Report of QPRC General and Special Purpose Financial Statements. Ms Alison Brown, Assistant Auditor-General, presented a summary of the NSW Audit Office's current and future performance audits into Local Government.

6. Closure

As there were no further matters, the Public Forum closed at 6.06pm.



**ATTACHMENT TO MINUTES OF THE PUBLIC FORUM
HELD ON 21 December 2022**

‘Questions on Notice’ from the Public

Responses to the following ‘Questions on Notice’ received up to *Wednesday 14 December 2022* were provided and tabled at the meeting.

Questions submitted by: Mark Schweikert

1. **Resolution 43/22, passed unanimously earlier this year, was legal direction to council to workshop and then report on council’s roads capability during an August meeting in order to provide policy direction to staff. However, it would seem nothing has occurred. This report would have made an indispensable accompaniment to the upcoming long term budget deliberations. Is this an opportunity lost or is council going to do what it has been directed to? If so, when?**

Response: Infrastructure Services

Staff are preparing the detail as requested and will be conducting a workshop with Council in the new year with a report to follow for Council consideration.

2. **When will resolution 342/21 (Traffic Committee minutes – agreed unanimously), specifically LTC 44/2021 (Bus Stop Ashby Drive), ever be completed? A year is bordering on unacceptable for a simple J sign!**

Response: Infrastructure Services

The bus stop has been ordered and will be installed in due course.

Questions submitted by: Queanbeyan Ratepayers and Residents Association

The following questions relate to the proposed Special Rate Variation for Queanbeyan-Palerang. All responses are provided by Council's Corporate Services directorate.

Scenarios 1 and 2 state that savings of \$12M and \$5.5M respectively can be achieved by the stopping and/or reducing non-core services.

3. What does QPRC consider to be 'non-core' services?

Traditionally, councils are responsible for essential local community infrastructure including roads, footpaths, parks and playgrounds, as well as our role in land use planning, development assessment and regulatory services. Councils also provide facilities for Council meetings and administration/customer interactions.

If Council had to cut all other services, it would still always need to continue to maintain essential community infrastructure as above, known as core services. What may need to be adjusted is the levels of service provided, eg. cleaning, mowing, opening hours.

Councils have historically also provided State Government funded services like libraries and noxious weed management, however this only covers a portion of the cost and over time Councils fund these services for the community out of general rates.

In more recent history, Councils have taken on community services delivered on behalf of both State and Federal governments such as Family Day Care. These services are also important for the liveability of a community.

The operation of the additional and broader services extending to tourism, economic development, community development, cultural programs, events and grants; the Bicentennial Hall and The Q would be considered non-core services. Swimming lessons at our swimming pools are also non-core services.

The newest emerging service area for NSW local councils is in environmental care including biodiversity and catchment management. There are increasing numbers of areas of crown lands and bushland being handed over to Councils to manage.

4. What does QPRC consider to be 'core' services?

Council has prepared Service Statements in a document that lists all the services currently being provided and how they are funded – including the level of rates being used to fund each service. The full document is available on the QPRC Your Voice website – with other background information about the financial sustainability and proposed rates rise. See:

<https://yourvoice.qprc.nsw.gov.au/srv>

5. What is the quantum of savings to be achieved from each of the items listed of 'non-core' services to be stopped and/or reduced in each of Scenarios 1 and 2?

Council is asking the community to provide feedback before they make any decision to either increase rates or reduce services. If Council make the decision to stop fully funding Council services under scenario 1 or scenario 2, staff will immediately begin work on a detailed analysis of all reduction options and present these to Council and the community for decisions over the next three years.

Most cost reduction options will take time to implement and require further business planning (like closing community facilities or finding private operators) – however some might be quicker and easier to implement (like property sales).

The Organisational Service Review Report available on the Your Voice SRV page includes an Appendix B that contains a list of service reductions and priorities from 1 to 3, with high level costings, including an analysis of implementation costs, and timing over three years.

6. Will these savings result in the reduction of staff?

Yes. If Council reduced levels of services or stopped delivering them then those roles would not be required.

7. If so, will these staff reductions be achieved through natural attrition or redundancies?

This would be part of the cost benefit analysis that would immediately follow any decision to stop fully funding Council services. For example some staff might be able to be transferred to other parts of Council's operation.

8. What are the costs incurred in the event of staff redundancies?

There are significant costs in the event of staff redundancies, and that is one of the reasons that further business planning will be required in each service area. Council would seek to ensure its staff are protected through the transition even in the event that it could no longer provide the services they currently work in via training or support for new skills development.

The following questions relate to Scenario 1

9. If libraries and customer service centres are closed in Bungendore and Braidwood, how will the community access these services in the future?

Council is asking the community to provide feedback before they make any decision to either increase rates or reduce services. If Council make the decision to stop fully funding Council services then business planning would commence including consideration of how to set up community access to customer and library services in Braidwood and Bungendore without a physical centre.

10. Will members of the community be expected to travel to Queanbeyan to access these services?

Council would consider a combination of alternatives such as mobile or shared customer service counters, smaller physical customer service centres, reduced hours of operation, as well as internet and phone services that can be operated remotely.

11. If depots are closed in Bungendore and Braidwood, will the plant and equipment be moved to a central location?

A detailed analysis of work site movements, plant use and facility management would be undertaken to understand how to maximise efficiencies with a reduced budget.

12. If these depots are closed will private contractors be used instead?

Council already uses a variety of local and regional contractors for road construction, traffic control, bridge construction and road sealing works. This would continue to be an option if it resulted in better value for money or better efficiencies.

13. If so, what cost will be associated with doing so?

Council follows a procurement policy and uses contractors on particular jobs if it is more efficient to do so and if staff resources are limited for a particular project to be completed on time. For example if it is not efficient for Council to own and operate a specific piece of major plant, a specialist contractor would be engaged. The cost is dependent upon the scope of works for any particular works project.

14. What is the long term impact of closing the depots, both in financial and maintenance terms?

Any closures or sales of community assets would result in losses that will be expensive and difficult to reverse at any time in the future. For example, the future cost of land and a fleet of major plant would make it prohibitive to reverse the decision at a future date. A major reduction of skilled staff may be expensive and take time to reverse in future at a large scale. This sort of analysis would be essential before any decision is made.

15. What level of increases are proposed in “*Significantly increasing user charges and fees for all community services*”?

User Charges and Fees generally return 5 to 8% of the cost of delivering a particular facility or community service, and the increase would be subject to what level Council determines as being acceptable. There is of course a price point that would make these facilities unaffordable to the general public, and this is not the intent of a community service. It is Council's preference that sporting and recreational facilities, community halls and meeting spaces are used to their full potential. This may mean that user charges and fees remain nominal for all residents, volunteer community groups and sporting associations.

16. What community services will be subject to increased fees?

Ratepayers currently heavily subsidise community facilities so that they can remain affordable for all members of the community including the pools, sportsfields, community halls, museums, Rusten House, community events and cultural activities. All fees would be considered for increases in any scenario where services would otherwise be discontinued or where full funding is not provided through rates.

17. What activities relating to economic development and tourism does the QPRC currently undertake?

Council has prepared a complete service level listing in a Service Statements document that lists all the services currently being provided and how they are funded – including a full description of the economic development and tourism services currently provided.

The full document is available on the QPRC Your Voice website – with other background information about the financial sustainability and proposed rates rise.

18. What level of ‘*user charges and a rate on businesses*’ are proposed for economic development and tourism?

Council would consider ways to fully fund those services by collecting fees or contributions from business ratepayers. The full cost of economic development and tourism to ratepayers is listed in the Service Statements document – with the cost to ratepayers of all Council services. Much of what this team creates is funded by joint partnerships with local businesses, via advertising and sponsorship of events; which ensures these activities are conducted at least cost to Council.

19. What does ‘*Significantly reducing urban amenities*’ mean? How often are each of the activities identified (i.e. street sweeping, mowing, maintenance and cleaning) undertaken now?

The following table provides the current service levels for Council's Urban Landscapes function. This service costs the general rates around \$9.8M per annum.

For further information – a complete list of service levels is contained in Council's Service Statements document.

Objective	Service Level
Maintain sportsgrounds and parks	Level 1 Parks mown weekly Level 2 Parks mown fortnightly Level 3 Parks mown 3 weekly Showground mown fortnightly
Maintenance of gardens	Gardens weeded and trimmed monthly, and replanted seasonally
Maintenance of playgrounds	Playgrounds inspected monthly for compliance and safety, with vandalism and repairs rectified reactively.
Management and maintenance of urban tree canopy	Private tree applications for removal or pruning responded to within 10 days. Planting program to plant 1,000 new trees within urban spaces annually.
Graffiti removal	Removal of graffiti within 48 hours within high profile areas of LGA, and 96 hours in outlying areas.
CBD cleaning in Queanbeyan, Bungendore and Braidwood	Footpaths swept daily in Queanbeyan, and swept weekly in Bungendore and Braidwood.
Public conveniences cleaning	CBD and town centre toilets across the LGA, cleaned daily, with other urban and rural toilets cleaned weekly.
Sports field bookings	Bookings processed within 24 hours of receipt

20. What is the mechanism for reducing the number of Councillors?

Currently, if Council resolved to propose a reduction of the number of Councillors, Council is required to conduct a referendum. Standard practice is that Council's take the opportunity of the election cycles to minimise this expense. We could hold a referendum at the 2024 elections, which if voted in favour by the community, the reduced numbers are then implemented at the next Council (Sept 2028).

There is a clause in the Local Government Act (Section 224A), which only requires a Council to seek approval by the Minister for Local Government after a public exhibition of the proposal and does not require a referendum, however this clause is not enabled at the moment. This pathway is at the discretion of the NSW Government to enact at any time.

21. By how many will the number of Councillors be reduced?

Council has to have a minimum of 5 and maximum of 15 councillors (including the Mayor).

22. According to the QPRC 2021/2022 Annual Financial Statement, the total cost of all Councillors (including associated expenses) was \$284,000. What savings are expected to be gained by reducing the number of Councillors?

Reducing the number of Councillors to 9 would save \$80K and to 7 would save \$160K per annum, and subject to the current legislation whereby a referendum is a prerequisite, could only be implemented from 2028 at the earliest.

23. Will there be any costs associated with reducing the number of Councillors?

The NSW Electoral Commission charges more to conduct the referendum, and is generally about \$40 to \$50K.

The following questions relate to Scenario 2

24. To what extent will be user fees be increased at the Q?

The Q is currently subsidised by general rates so that local emerging artists can participate and so that more people can afford to attend. The current cost is \$1.5M per annum.

Irrespective of which scenario Council decides, The Q needs to become cost neutral and will be working towards developing an improved business model.

25. Which pool will be kept?

This decision hasn't been made and would require additional planning. Council would have to review the attendance numbers, risk assessment and cost of upgrading each pool and operating plant to meet current disability and access standards. Currently there are no transport options to provide this access from other areas.

26. What does 'keeping one pool' mean? Does this mean the others will be sold to private operators?

Private operators normally enter into a management agreement with Councils, with Council being responsible for the utilities, rates, operations and maintenance of the pool facility.

However, Council would consider all options to minimise the service reduction. This would include looking at private operators for the larger pools.

Under scenarios 1 or 2 Council would need to look at closing the smaller, less well attended pools, like Captains Flat, and consider which pools to keep closer to Queanbeyan.

27. Will 'stopping planned developments for sports and aquatics' include stopping work on the Regional Sports Hub in Jerrabomberra?

It is unlikely that Council would have the capacity to continue plans for the Regional Sports Complex Swimming Pool at Jerrabomberra (Stage 2 and 3) or the Bungendore Sports Hub.

The following questions relate to Scenario 3

28. Has the QPRC undertaken any work to identify community expectations regarding the levels of services provided.

This is part of the community consultation undertaken annually when the Operational Plan (budget) goes on public exhibition and quarterly with the review of the Delivery Program and Community Strategic Plan. We also receive feedback from ratepayers and community members about the level of service during our two yearly community feedback survey.

29. Has the community been informed of the costs of delivering these services?

Financial information is included in the Operational Plan (budget) every year and community feedback requested on the cost of services. Council also releases its financial statements and Annual Report annually. Council reports on, and presents the cost of services, at its public community meetings held each year during consultation the Operational Plan. Council has now additionally prepared Service Statements that describe the cost of each service and how they are funded and why they are funded by rates / fees / grants etc. The Service Statements are available on the Your Voice page.

30. Why is does Scenario 3 include additional spending of \$3.6M, when it seems clear that spending profligacy by previous Councils contributed to the current problems?

Both the previous Council and the current Council have made budget cuts to reduce expenses, but have reached the stage where the budget cuts are not planned, but rather are responding to lack of funding. Delaying necessary maintenance of our roads, buildings, sporting and community infrastructure are not sustainable cost saving measures in the long term.

Council's current budget has been cut down to the level that it could not extend footpaths or provide footpath improvements (pram ramps) even though it has a Pedestrian and Mobility Plan. Normally for this type of project, Council would be able to attract 1:1 grant funding, which it can't currently do.

Under scenario 3, Council has included additional maintenance and repair and infrastructure improvement budget, so that community infrastructure maintenance and repair can be planned and budgeted for in future years.

Council has additional biodiversity, catchment management and biosecurity responsibilities that it has so far not funded. This proposal includes some funds to begin to address some of these environmental responsibilities.

Ongoing Projects

31. Has the QPRC considered winding back or discontinuing existing projects?

This will be necessary if scenarios 1 or 2 are adopted.

32. If not, why not?

See response to Q31.

33. Has the QPRC declined new grant funding which required matching funding from the QPRC?

In June this year Council was placed in a position of having defer a project and decline to accept tenders to upgrade the Change Rooms at the Queanbeyan Swimming Pool as the quotes were more than the grant received. Until further grant funding is received, this project remains on hold.

At the meeting of 21 December Council will be considering a recommendation to decline an offer of grant funding for works on the Bungendore overflow channel. Council does not have the unallocated cash reserves available to provide the necessary \$900,000 contribution. Where matching funding is required, Council generally does not apply for grant funding unless the matched funding has been identified.

34. Has the QPRC considered seeking approval to re-direct the grant for the Monaro Street upgrade to the maintenance of rural roads?

No

Questions submitted by: Courtney Holmes

The following questions relate to the proposed Special Rate Variation for Queanbeyan-Palerang. All responses are provided by Council's Corporate Services directorate.

35. What is the council doing (apart from rate rises) to ensure this doesn't happen again?

Council reviews its financial sustainability through its long term financial plan and annual reports to the community. The current financial sustainability issue is not a surprise. It has always been known, since amalgamation and before, that Council would require a special rate variation. Neither Palerang or Queanbeyan City Councils were financially sustainable at the time of the amalgamation, and we have limited options to raise other revenue or to cut costs without reducing services below levels expected by the community.

Whilst Council identified and implemented \$2.2M of annual efficiency savings since amalgamation, it also increased some services at additional cost – eg tourism and community services in Braidwood, and more funds to properly maintain roads and buildings.

The need to increase revenue or reduce expenses has been advised to the community through our annual plans and reports for several years as a forward financial strategy and plan. In NSW, Councils don't have many options to increase revenue, except for raising user charges or rates through a process called 'special rate variations' (SRVs). The SRV process has become a normal business practice for NSW councils.

In its annual reporting, the Independent Pricing and Regulatory Tribunal (IPART) records the applications and approvals of SRVs. In summary, over the past decade:

- there have been 165 special rate variation applications, of which 155 were approved. (there are currently 128 NSW councils). The average approved variation is 28%, with the highest approval being 70% and the lowest 2.7%, and over 70% of councils making at least one application.
- many of the merged councils, restricted initially with a four year 'rate path pricing freeze' have lodged applications for significant SRVs, in part to accommodate SRVs proposed by the respective former councils that were delayed as a consequence of the merger process.
- most councils have sought SRVs to improve financial sustainability, reduce asset backlog, provide essential or extended services, meet community expectations, offset tourism impacts, or supplement grant or contribution-initiated project shortfalls.

The majority of NSW councils use the SRV process to increase their rates revenue from time to time, and it will happen to QPRC again too. This is because, under the current system, rates income doesn't grow at the same rate as the cost of providing services to the community, and so there is always a point that a catch-up increase is needed.

The only way to avoid a large catch-up would be to have smaller catch-ups more regularly, and Council may consider this in its next financial strategy.

However there are always unknowns that can't be planned. The extent of the natural disaster repair that has been undertaken over the last four years, and the effect of the pandemic on Council's income and expenses has fast-forwarded the need for the budget correction.

36. Are you overhauling current practices?

Council is always examining its business and options for improvement. We conduct service reviews on individual service areas annually, review our organisational structure every four years, re-check our strategies and goals every four years through the development of our Delivery Program and Community Strategic Plan, and we have an Audit Risk and Improvement Committee that oversees all of our risks and management and recommends additional improvements.

Managers are required to review any vacant positions before recruitment commences, to ensure we have assessed the need for a particular role, and if there are better ways of delivering this service.

37. Are you looking to reduce unneeded FTE?

Under either scenario 1 or 2 Council would need to reduce services, and therefore the positions that Council employs to run those services would be reduced.

Council currently monitors its FTE against other NSW councils, where the generally accepted standard is 7.5 FTE per 1,000 residents.

QPRC has maintained a lower FTE ratio of 6.9 FTE per 1,000 residents.

38. Are you delaying or axing unnecessary planning phase projects?

Projects are regularly reviewed against their level of preparedness, funding opportunities and alignment with Council's various strategic plans and masterplan documents. Planning is an essential phase of any project, preparation of a business case where necessary; feasibility study or other work before Council approves the project in a forward budget. If external funding is sought, a project needs to be within Council's plans.

39. Are you seeking independent advice to run the organisation more effectively and efficiently?

There is a report included on the Your Voice website with the SRV information called the 'Organisational Service Review' that was prepared by independent consultants Morrison Low.

Council engage with a number of external organisations, such as the Canberra Region Joint Organisation, Local Government Professionals NSW, Local Government NSW, Local Government Procurement and other providers who facilitate joint procurement opportunities, training and business process improvement.

40. What rural services will be reduced should scenario 1 or 2 proceed?

Under scenarios 1 or 2 the following services would have to be reviewed:

- Saleyards
- Customer service centres and libraries in Bungendore and Braidwood
- Pools, playgrounds, community halls, sportsfields in Bungendore, Braidwood and Captains Flat and all towns and localities
- Reduced level of services in towns – cleaning, street sweeping, mowing, etc.
- Tourism, economic development and grants officer support for community groups
- Levels of road grading and maintenance works