

7. Draft Management Plan 2009/2012

Council is required to place on public exhibition a draft management plan for a period of not less than 28 days. This report outlines the key elements of the 2009/13 Management Plan and recommends it for public exhibition.

Group Manager Community and Relationships

BACKGROUND

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Section 402 of the Local Government Act 1993 requires Council to prepare an annual plan of management that clearly identifies Council activities and revenue policy for the following financial year.

The Act also requires that a draft of the plan be placed on public exhibition for a period of not less than 28 days. During this period submissions are to be sought, received and acknowledged. Council can then consider all submissions made during the exhibition period at a designated workshop prior to adopting the document.

In March Council resolved to include in the draft management plan the proposal for a two tiered special variation application. At the subsequent Council meeting on 14 April Council resolved:

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That Council include a special variation to the general rates in the draft management plan and Council lodge an application to the Department of Local Government in the following terms:

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- 1. An 8.76% increase to the general rate yield inclusive of the 3.5% rate pegged cap.*
- 2. \$450,000 of that general rate variation, to be levied across all rate categories and quarantined for the purpose of improvements to sporting and recreational facilities and access to community facilities. Those funds to be applied through assignment to sporting and recreation groups in accord with the "Community Partnership Principles" and through Council's Access Committee.*
- 3. \$350,000 of that general rate variation, to be levied across all rate categories (\$200,000) and business rate category (\$150,000) and be quarantined for the purpose of economic and tourism development. Those funds to be applied in accord with the draft position statement on tourism, noting Council's intent to enter a service agreement with Sapphire Coast Tourism, whereby the initial allocation to the board of \$230,000 in 2009/2010 be reduced to \$150,000 indexed within 5 years. The balance will progressively be added to further investment in economic development and related infrastructure.*

40 Over the past four years Council has undertaken a comprehensive review of services, continually refining the services provided and supported and the functional areas of the organisation. The objective has been to refocus expenditure on key infrastructure areas. This approach has seen considerable service level reductions and staff number reductions through a range of processes including internal restructuring, adoption of new organisational structures, natural attrition, voluntary redundancies and service cuts. Forced redundancies have been kept to a minimum.

Partnered with this approach has been the application of a series of special variations to support specific activities. This approach followed from a recommendation of the operational examination in 2006 which noted Council's need to increase revenue from general rates in the order of 33%.

ISSUES

Items covered in the draft management plan

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- Proposed Ministerial rate peg increased of 3.5% Maintenance and repair increase held to 3%
 - No change to the revised adopted organisational structure and all current vacancies are being monitored in line with income projections
 - Allocation to covered options for the relocation of the Merimbula Library
 - Establishment of a Community Partnership Fund
 - Establishment of a reserve to accrue funds for the local government elections
 - Reduction in expected revenue from development applications and associated charges
 - Reduction in investment income
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- Allocation to cover the investment guarantee
 - Redevelopment of Council depots funded by loans
 - Car parking/traffic management in Merimbula funded by loans
 - Council land sales with funds raised allocated to a reserve for later allocation
 - Income from the sale of McCarthy House Cobargo
 - Increase in allocation to South East Academy of Sport
 - Establishment of a volunteer management function funded by fees and charges
 - Introduction of a food regulation function funded by fees

- A Special Variation application for 5.05% and associated expenditure on sporting recreation, tourism and economic development.

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Items not included in the draft management plan

- Funding allocation to Sapphire Coast Tourism is covered by a special variation allocation

SPECIAL VARIATION APPLICATION

As noted above Council resolved at its meeting on 14 April to apply for a special variation. Council is seeking a special variation of 8.76% incorporating the 3.5% rate pegging and catch up of 0.21%. The proceeds of the special variation, an amount of \$800,000 are required to address an identified shortfall in the maintenance and renewal of sporting recreational and community facilities (\$450,000) and to provide ongoing support to tourism and economic development (\$350,000) in the Shire.

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Both Federal and State Governments have recognised the importance of stimulating the local economy to provide continuing employment and investment opportunities. Local recreational, tourism and business groups approached Council to raise funds to improve sporting and recreation facilities, and to assist the local tourism board build on its marketing and information service ambitions. These approaches follow the enthusiasm generated amongst the community in nominating projects under the Federal Government RLCIP and development of the business plan by the Sapphire Coast Tourism Board.

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In seeking these funds, Council is throwing its weight and that of the local community behind its sporting, recreational and community infrastructure, tourism industry and economic development responsibilities. There is a link between the aspects of the variation in that sporting and community events held at regional and local facilities particularly outside the peak holiday periods provide an opportunity for the local business community to “winter proof” through attracting major events and developing a calendar of major sporting, cultural and recreation events outside traditional peak holiday periods.

How has the increase been applied?

In distributing the cost impost of the proposed rate variation Council has considered the key beneficiaries of additional expenditure on sporting, recreational and community infrastructure and tourism and economic development.

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The community health, economic and personal benefits of participation in sporting and recreational pursuits are well documented. The variation amount of \$450,000 for sporting and recreation infrastructure renewal and improving accessibility to community facilities will be applied across all rateable properties.

The expenditure of rates raised through this aspect of the special variation complements the Federal Regional Community Infrastructure Program stimulus grants and will continue to provide employment opportunities for local building, earthworks and landscape contractors. Works will also focus on access issues relating to a range of community and recreation facilities to improve access for people with a disability and older residents. To put this impost into perspective, the contribution from the average residential and farmland property is in the order of 46 cents per week.

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Of the \$350,000 identified for Tourism and Economic Development, Council has sought to provide an equitable distribution of the additional financial burden. It has done this by applying an amount of \$200,000 for Economic Development initiatives to all rating categories as it is felt that all ratepayers benefits from the identifiable impacts of economic development. Here the average impost is in the order of 20 cents per week.

The remaining \$150,000 identified for specific tourism support initiatives recognises the importance of tourism to the local economy and as such has been applied to the business category alone. The average additional impost here is in the order of \$176 per year.

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Sportsground, recreation and community infrastructure renewal and access

Due to the demographic and physical distribution of the Shires population, there are 17 identified sports grounds. As with many asset categories, investment in sportsgrounds and their associated change rooms, toilets and car parks has been insufficient over many, many years. As a result the asset condition has suffered and now significant funds are required to bring these important community facilities back up to (and kept at) an acceptable standard.

Council has established a facility hierarchy between towns in its 20 Year Plan that guides the standard of construction and servicing of those facilities. Further work is being undertaken on the facility hierarchy in the development of Council's first community strategic plan.

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A Financial Strategy has also been prepared to nominate funding options to continue to rationalise and improve those facilities commensurate with the changing demographic and the economic drivers provided through sporting and recreational tourism.

In addition to the health and economic benefits previously mentioned, sporting and recreational activities in regional and rural areas are also a vital component of community life as there is not the same variety and accessibility to other pursuits as there are in cities.

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Bike paths, playgrounds and associated recreation facilities are also critical to the health of the community and over time will require expenditure to meet community needs. The Council's recreation, sporting and community facilities, such as its 20 public

halls, also in many instances have barriers which prohibit use by people with limited mobility and it is proposed to undertake a program of addressing these access issues.

It is anticipated this 'ring-fenced' levy will also attract government grants and both community in-kind contributions and funding, and may be used to service debt to accelerate construction activity.

Further, the bulk of these works will be undertaken by local contractors and groups, generating business for local suppliers and stimulating the local construction industry – a major employer.

150 **Tourism and Economic Development**

Council recognises tourism as a key driver of the local economy, providing jobs and investment. In recent years, Council has significantly reduced its direct financial support for tourism marketing and promotions, considering these activities are the role of the tourism industry itself. Council considers its long-term role as providing 'hard' tourism infrastructure, visitor information centre premises, parks, boardwalks, toilets, bbq's etc. It also feels there is a role for Council in providing surety for the employment of a Tourism Manager and visitor information centre coordinator.

160 The variation will afford the tourism industry the basis for a comprehensive and ongoing funding agreement. The agreement would provide funding to Sapphire Coast Tourism Limited on the understanding the industry would contribute for the implementation of marketing initiatives and provide excellent visitor experiences. The Council's position statement on Tourism and its proposal to facilitate the local tourism industry transition to self reliance is attached.

At the broader level of Economic Development, Council requires additional funds to drive opportunities such as the redevelopment of Merimbula Airport, optimisation of the Port of Eden, hotel/resort construction and commercial construction projects. Planning and negotiation on these projects has commenced.

170 To complement the Tourism Strategy prepared by the Board, Council will assign funds from the levy towards 'tourism infrastructure' such as walking trails and signage to support the visitor experience.

A staff resource for this function has been identified funded in part by the organisational restructure and by general revenue however opportunity funding is required to match government grants and seed investment initiatives in health, retail, tourism and retirement projects for example. It is also proposed that over five years the balance of the allocation of funding in this area moves from tourism into economic development capping the tourism allocation around \$150,000pa.

It is anticipated this 'ring-fenced' levy will also attract \$;\$ government grant and industry in-kind contributions.

Assets

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The \$450,000 raised from the special variation will be expended as outlined below. Full details are outlined in the draft management plan.

\$200,000 raised from all ratepayers and the \$150,000 raised by the special variation applied to business rated properties will be expended as outlined above. Full details are outlined in the draft management plan.

	2009/10	2010/11	2011/12	2012/13	2013/14
SPORTING RECREATION AND COMMUNITY ACCESS	<p>Community infrastructure, halls, libraries, sports and recreation facilities. Provide improved physical access for people with disability to these assets. \$50,000</p> <p>Recreational facility improvements including shade structures at playgrounds and pools \$25,000</p> <p>Upgrades to sports playing surfaces, lighting and associated car parking (Bega area) \$100,000</p> <p>Upgrades to change and spectator facilities \$100,000</p>	<p>Community infrastructure, halls, libraries, sportsgrounds, recreation facilities. Provide improved physical access for people with disability to these assets. \$50,000</p> <p>Recreational facility improvements including shade structures at playgrounds and pools \$25,000</p> <p>Upgrades to sports playing surfaces, lighting and associated car parking (Merimbula area) \$100,000</p> <p>Upgrades to change and spectator facilities \$100,000</p> <p>Cobargo Skate park upgrades \$20,000</p>	<p>Community infrastructure, halls, libraries, sportsgrounds, recreation facilities. Provide improved physical access for people with disability to these assets. \$50,000</p> <p>Recreational facility improvements including shade structures at playgrounds and pools \$25,000</p> <p>Upgrades to sports playing surfaces, lighting and associated car parking (Pambula area) \$100,000</p> <p>Upgrades to change and spectator facilities \$100,000</p>	<p>Community infrastructure, halls, libraries, sportsgrounds, recreation facilities. Provide improved physical access for people with disability to these assets. \$50,000</p> <p>Recreational facility improvements including shade structures at playgrounds and pools \$25,000</p> <p>Upgrades to sports playing surfaces, lighting and associated car parking (Tathra) \$100,000</p> <p>Upgrades to change and spectator facilities \$100,000</p>	<p>Community infrastructure, halls, libraries, sportsgrounds, recreation facilities. Provide improved physical access for people with disability to these assets. \$50,000</p> <p>Recreational facility improvements including shade structures at playgrounds and pools \$25,000</p> <p>Upgrades to sports playing surfaces, lighting and associated car parking (Eden) \$100,000</p> <p>Upgrades to change and spectator facilities \$100,000</p>

CORPORATE MANAGEMENT COMMITTEE

28 April 2009

	2009/10	2010/11	2011/12	2012/13	2013/14
	Eden Skate park upgrades \$20,000	Bega Swimming pool upgrades \$50,000	Tathra Skate Park upgrades \$20,000	Upgrades to change and spectator facilities \$100,000	Bermagui netball park upgrades \$20,000
	Bega Swimming pool upgrades \$50,000	Ford park playing courts upgrades and creation stage 2 \$50,000	District swimming pool upgrades \$50,000	District Skate park upgrades \$20,000	District Swimming pool upgrades \$50,000
	Ford park playing courts upgrades and creation stage 1 \$50,000	Cycle/walkway trail upgrade Tathra foreshore \$55,000	District Playing courts upgrades and creation \$50,000	District Swimming pool upgrades \$50,000	District Playing courts upgrades and creation \$50,000
	Cycle/walkway trail upgrade Merimbula Lake \$55,000		Cycle/walkway trail upgrade Eden foreshore \$55,000	District Playing courts upgrades and creation \$50,000	Cycle/walkway trail upgrade Bega district \$55,000
				Cycle/walkway trail upgrade Bermagui foreshore \$55,000	

CORPORATE MANAGEMENT COMMITTEE

28 April 2009

	2009/10	2010/11	2011/12	2012/13	2013/14
ECONOMIC DEVELOPMENT	<p>\$120,000</p> <p>Maritime cluster development.</p> <p>Port of Eden master planning support.</p> <p>Australia's Coastal Wilderness development</p> <p>Development economic development strategy.</p> <p>Town signage and gateways</p>	<p>\$140,000</p> <p>Merimbula Airport redevelopment.</p> <p>Implementation of strategies from economic development plan</p> <p>Telecommunications infrastructure project</p> <p>Sustainable energy cluster development</p> <p>Sustainable energy cluster</p> <p>Signage and gateways</p>	<p>\$160,000</p> <p>Transport infrastructure</p> <p>Implementation of strategies from economic development plan</p> <p>Cultural tourism cluster development</p> <p>Cultural tourism cluster</p> <p>Signage and gateways</p>	<p>\$180,000</p> <p>Implementation of strategies from economic development plan</p> <p>Education cluster program development</p> <p>Packaging of components to attract businesses</p> <p>Education cluster</p> <p>Signage and gateways</p>	<p>\$200,000</p> <p>Implementation of strategies from economic development plan</p> <p>Medical cluster development Bega associated with new hospital</p> <p>Medical cluster</p> <p>Signage and gateways</p>
TOURISM	<p>\$230,000</p> <p>Provision of tourism officer and office \$90,000</p> <p>Visitor information</p>	<p>\$210,000</p> <p>Provision of tourism officer and office \$90,000</p> <p>Visitor information coordinators \$60,000</p>	<p>\$190,000</p> <p>Provision of tourism officer \$90,000</p> <p>Support VIC coordinators \$60,000</p>	<p>\$170,000</p> <p>Support tourism officer \$90,000</p> <p>Support VIC coordinators \$60,000</p>	<p>\$150,000</p> <p>Support tourism officer \$90,000</p> <p>Support VIC coordinators \$60,000</p>

CORPORATE MANAGEMENT COMMITTEE

28 April 2009

	2009/10	2010/11	2011/12	2012/13	2013/14
	coordinators \$60,000 Implementation of adopted Sapphire Coast Tourism Ltd Business Plan \$80,000	Implementation of adopted Sapphire Coast Tourism Ltd Business Plan \$60,000	Implementation of adopted Sapphire Coast Tourism Ltd Business Plan \$40,000	Implementation of adopted Sapphire Coast Tourism Ltd Business Plan \$20,000	

Strategic

190 The Department of Local Government is currently finalising the guidelines for Councils in the development of integrated community strategic plans. At this time the guidelines have not been received so the framework applied to the development of the 2009-12 management plan is based on the current guidelines of the Bega Valley 20 Year Plan.

Consultation

The draft 2009/12 Management Plan will be placed on public exhibition for a period of four weeks from Friday 1 May 2009.

A series of specific group meetings have already been held including:

- A meeting of representatives of sportsground and sporting groups
- A meeting of Sapphire Coast Tourism Limited Board
- 200 • A meeting of representatives of Chambers of Commerce and the Bega Valley Shire Business Forum.

Other opportunities for discussion about the draft can be considered if specific groups contact Council's Corporate Planning Section. Staff will be available to attend any local group meetings as invited to discuss the content of the draft plan.

A Management Plan forum will also be available on line at www.bangthetable.com More details will be available about this option in the media in the coming week.

Copies of the draft will be available free of charge from the Council Offices and Council libraries including the mobile library. The draft will also be placed on Council's internet site at www.begavalley.nsw.gov.au

210 In addition copies of the draft will be circulated to Chambers of Commerce, local media, local politicians, NSW Farmers Association and the three Local Aboriginal Lands Councils.

Public notices and a full page advertisement will be taken out in all local newspapers circulating in the Council's area advising the community of the exhibition of the plan, outlining key directions in the draft plan, and calling for submissions. The public advertisement will indicate where the draft plan can be viewed and how the public can lodge submissions.

Financial

The Draft Management Plan outlines the direction of the organisation in all Funds over the 2009/10 financial year and includes key items for the subsequent years.

220 The Management Plan also includes key directions in the areas of revenue policy and is linked to the organisation's recently considered Financial Strategy.

The Management Plan outlines all estimates allocations and is a companion document to the estimates and fees and charge documents and reports.

RECOMMENDATION

That the draft 2009/12 Management Plan presented to Council on 28 April 2009 be placed on public exhibition from 1 May to 29 May 2009 as detailed in this report.

That public notices be placed in all newspapers circulating in the Council area inviting the public to make submissions on the draft management plan.

That copies of the draft plan be circulated to local media, Chambers of Commerce, NSW Farmers Association and the three Local Aboriginal Lands Councils inviting them to make submissions on the draft management plan.