

# THE FUTURE OF GWYDIR

## COMMUNITY ENGAGEMENT 2015-16

Prepared for Gwydir Shire Council

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**UTS:CLG**  
CENTRE FOR LOCAL GOVERNMENT



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# Executive Summary

## Background

In light of recent local government reform and changing expectations of local government, Gwydir Shire Council (Council) is committed to engaging the community around the role and future of local government, Council's financial sustainability, service levels, infrastructure provision, and meeting the needs of the community.

In mid-2015 Council engaged the Centre for Local Government at the University of Technology Sydney (UTS:CLG) to conduct workshops with Council, a deliberative panel, and a community survey exploring the financial sustainability of Council and future service delivery in the local area. The purpose of the research was to engage with the community and key stakeholders of the Gwydir local government area (LGA), around:

- > The future of Gwydir LGA including changing community needs
- > Service levels
- > Asset management, and
- > Decisions around budgeting and rates.

Findings of the research will be used by Council to shape decisions on their long-term financial planning, service delivery, asset management, and own source revenue and rates.

This report has been prepared independently by UTS:CLG. It contains the findings of community engagement activities conducted in Gwydir Shire Council in 2016 including:

- > A deliberative panel with 22 community members, and
- > A community survey completed by 94 community members.

## Methodology

The methodology for this research included:

- > Meetings with Council's General Manager to scope the project and key objectives.
- > Background document review and analysis of Council's financial performance data, and relevant submissions to State Government and Independent Pricing and Regulatory Tribunal (IPART). This review provided the project team with a broad understanding of key objectives, visions and actions of Council, as well as known community views and contextual factors affecting the local area. The previous SRV application, the IPART assessment report, Council's previous consultation activities and outcomes were reviewed in this process.
- > Workshop with Council staff on 1 September 2015. This workshop discussed services reviews and priorities for service levels, as well as the evidence base to be used in the deliberative panel.
- > Workshop with Councillors on 1 September 2015. This workshop discussed changing community needs and priorities for service levels. The aims and objectives of the upcoming deliberative panel were also discussed.
- > A deliberative panel on the 15<sup>th</sup> and 16<sup>th</sup> of January 2016. The deliberative panel engaged and informed a qualitatively representative and diverse range of community members around:
  - The future of Gwydir LGA including changing community needs
  - Service levels

- Asset management, and
  - Decisions around revenue and rates.
- > Feedback on findings to the community and an online survey to further test the outcomes of the deliberative panel, and to gauge broader community views on service levels and an increase in rates. The online survey utilised a nonprobability sampling technique. It is important to note that the online survey is limited in its ability to provide a broad and representative range of views.

### **Key Findings**

#### The Future of Gwydir Deliberative Panel

The process of deliberation allows the participating group to form a view based on individual values and in response to discussions with each other, the technical expertise presented, and the values of the group as a whole. The deliberation process is one of the most powerful engagement techniques, as it can reveal more nuanced views and uncover key insights often overlooked in traditional engagement techniques. Deliberation allows participants to share their views on the issue with knowledge of potential impacts and. The selection process for participants is crucial to ensure a range of alternative viewpoints are present in the room.

On 15<sup>th</sup> and 16<sup>th</sup> January 2016, 22 community members, five Council staff and three UTS:CLG facilitators, led by Associate Professor Roberta Ryan came together to discuss the future of the Gwydir local area at the Living Classroom in Bingara. The Mayor, Deputy Mayor and one Councillor were also there to observe the sessions. The General Manager was called on to present some of the detailed information to the group, and key Council staff were present to answer any technical questions raised by participants.

Participants were selected through a combination of expression of interest process, a professional social recruiter and Council's key community organisation contact list. Participants were required to complete a survey to ensure a diverse range of views, values and socio-demographics were represented in the sessions.

Participants were presented with detailed information on:

- > Council's financial sustainability, including data on current/ projected operating results.
- > Council's revenue and expenses and how this compares with other General Purpose Councils in NSW.
- > Results of key independent reviews on local government and implications for Council.
- > Service profiles for over 30 service units at Council, including budgets, details of service, key performance indicators, strategic alignment, and any depreciation/ maintenance costs.
- > Rating scenarios including pre-calculated individual rating burden for each participant (2015/16 levied with 15% SRV, 15% increase above current year, and 30% with estimated 2017/ 18 rate peg of 2.4%).

A summary of the key findings from the deliberative panel are outlined below:

- > A range of people from the community were informed of the impact to individual rates for different rating scenarios, and discussed the implications of retaining the temporary 15% rate raise as well as the additional permanent 15% raise. At the end of the two-day session, 19 participants indicated they would support a rate raise, whilst three participants indicated they would not.
- > Participants appreciated being able to hear a wide range of views from across the local area, and demonstrated an understanding of the implications for the future financial sustainability of the Council.

- > Most participants highly value the range and levels of services and infrastructure provided by Council.
- > The provision and maintenance of roads was the most highly valued service provided by Council, followed by social services such as aged and disability care, education and health. The third most common response category was environmental management, including services such as waste, water and weed control.
- > Consensus with regards to cost savings, reduction in service levels and rationalisation of assets was difficult to reach across the group. Some areas of opportunity raised included:
  - Rationalising assets or transferring assets back to the community and other organisations, such as community halls, community centres and buildings that were seen by some as being underutilized/ not fit for purpose.
  - Transferring the management of pools, caravan parks, Naroo and the show ground to the community/ private sector.
  - Reduced service levels for parks and gardens (including reducing mowing and maintenance of town verges).

#### Post-Deliberative Panel Community Survey

An online survey containing details of the deliberative panel process and findings was designed by UTS:CLG with a unique URL [www.futuregwydir.com.au](http://www.futuregwydir.com.au). The aim of the survey was to test back findings of the deliberative panel, and to gauge broader community views on service levels and an increase in rates. The survey link was distributed by Council and was advertised in the two local papers – the Bingara Advocate and the Warialda Standard. It was also posted on Council's Facebook page.

It is important to note that a limitation of the survey instrument includes that it is not representative of the population. In total, 94 people responded to the survey. Key findings are discussed below.

- > 49% (n=29) of respondents support the retention of the temporary 15% rate raise granted for the current rating year as well as an additional permanent 15% raise for the 2016/17 rating year and thereafter.
- > 12% (n=7) of respondents supported the retention of the temporary 15% as well as the additional rate raise for 2016/17 rating year and thereafter with conditions.
- > 25% (n=15) of respondents did not support the retention of the temporary 15% rate raise and the additional permanent raise for the 2016/17 year.
- > Respondents strongly agree to highly valuing the range of services delivered by Council (54%, n=34).
- > The provision of traditional core Council functions such as 'water, sewage, stormwater and drainage' (58%, n=37) and 'roads and bridges' (52%, n=33) were more likely to be rated as 'extremely important' services done by Council.
- > The provision of arts and culture facilities such as 'The Roxy' (6%, n=4) and 'Museums' (5%, n=3) and children services such as 'Toy Libraries' (5%, n=3) and 'Vacation care' (5%, n=3) were less likely to be considered 'extremely important' services done by Council.
- > The most frequently mentioned areas for potential cost savings at Council included 'The Roxy' (n=25); 'Donations to community organisations' (n=20) and Aged Care – Naroo (n=18).

# 1 Introduction

## 1.1 Background and context

Gwydir Shire is located approximately 160 kilometres north of Tamworth, 85 kilometres north-west of Inverell and 560 kilometres north of Sydney. The Shire is 9,122 square kilometres in size, with a total population of 4,965 at the time of the 2011 Census.

The Shire comprises of a mix of land uses, including agricultural land (irrigated and dry land cropping as well as livestock production). The two primary town centres in the Shire are Warialda and Bingara, which both have hospitals and medical centres, aged care facilities, schools, libraries and other community facilities. Warialda is the centre for the Council's Technical Services functions. Bingara is the centre for the Administrative functions.

There are many positive characteristics of the Shire. These include its unique climate, its central geographic location, the relatively small population, picturesque and popular natural features and attractions, and strong community spirit. These are the core elements contributing to the identity of the Shire of Gwydir and its people<sup>1</sup>.

Gwydir Shire Council is one of the newer local government areas in the State. It was proclaimed in March 2004 as a result of the voluntary merger of Bingara and Yallaroi Shires, together with a northern part of Barraba Shire.

Council has the following Core Services Departments:

- > Environmental Services
- > Planning and Building
- > Social & Disability Services
- > Finance Department
- > Tourism and Development
- > Technical Services.

The Community has four main goals which are identified in our Community Strategic Plan:

- > A Healthy and Cohesive Community,
- > Building the Business Base
- > An Environmentally Responsible Shire
- > Proactive Regional and Local Leadership.

Gwydir Shire Council is moving towards achieving these goals and like many rural areas, the Shire needs to respond to challenges on a number of fronts. Agriculture remains the dominant industry in the Shire yet this industry is subject to significant change – such as the general ageing of the farming population, market changes, and the possible impacts of climate change. Gwydir Shire is also subject to the broader social pressures occurring in rural areas – such as mental health issues, urban drift of young people, and general population decline<sup>2</sup>.

The age distribution of the Shire's population also presents some interesting characteristics and challenges. The Council must provide enhanced services to the beginning and end of the life cycle. One challenge presented as a result of the Shire's age profile is a growing skill shortage, which is closely correlated to the age profile of our community. This requires a strategy that

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<sup>1</sup> Ibid.

<sup>2</sup> Gwydir Shire Council Fit For the Future Submission, 2015

addresses the retention of young people, the inward migration of more people and the development of the people that are here. Council is addressing this challenge through the continued development of the Gwydir Learning Region<sup>3</sup>.

## 1.2 Council's financial sustainability

Over a number of years there have been various reports focusing on sustainability of local government. This has culminated in a review commissioned for the NSW Treasury Corporation to provide a financial sustainability rating for each NSW local government council. Gwydir Shire Council received a Very Weak rating.

Council has stated that this rating needs to be tempered somewhat by the realisation that it was based on Councils first attempt at the Integrated Planning and Reporting (IP&R) suite of documents, which included the first Long Term Financial Plan.

The Long Term Financial Plan provides a detailed discussion and commentary on Councils financial sustainability. Relevant excerpts are provided below.

*Most of the commentary provided in this document is limited to General Fund performance, as each of the other funds has the freedom to set charges to provide appropriate outcomes and current projections are acceptable for those funds. The commentary is limited to the 'Business As Usual' and the proposed '2 x 15% Special Rate Variation' scenarios, as the two other scenarios '3 x 10% Special Rate Variation' and '1 x 20% Special Rate Variation' provide outcomes between the two scenarios to be discussed.*

*The attached Business as Usual scenario, which was prepared on a conservative basis of projected revenues and expenditure to maintain the current levels of service, without speculative sources of revenues for example asset sales. These results show significant shortfalls in General Fund cash and is simply not acceptable and/or sustainable.*

*From an LTFP perspective, this means that GSC needs to work towards attaining a balanced budget. This is a significant challenge and involves many complex issues. Certainly funding shortfalls and associated service level shortfalls remain very important issues that need discussion and lobbying – it is just that these need to be removed from proposed budgets, which need to deal with the reality of current funding limitations.*

*There are several initiatives that the councillors of Gwydir have approved recently to start down the path of improved budget results, including service level reviews, some redundancies and a Special Rate Variation application.*

*All of GSC's operations should be reviewed to determine whether the ongoing provision of the service has ongoing relevance, the level of service that should be provided (and associated budget allocations) and if appropriate, fees for service are set at the right level.*

## 1.3 NSW Government Fit for the Future reform

In September 2014, the NSW State Government announced guidelines with a view to strengthening communities and ensuring all NSW councils are Fit for the Future (FFTf). Highlights of the FFTf package include a new Local Government Act to be phased in from 2016-17 that will focus on integrated planning and reporting; a new role for the NSW Auditor General; a review of the rating system; a review of the regulatory burden on councils; a recognition that flexible structures should be available; legislative provision for Joint Organisations; and Financial Assistance Grants distribution.

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<sup>3</sup> Ibid.

Given Council have a relatively low rate base and low population, this means “more work” and “some tough decisions to improve the Shires sustainability need to be made to improve to meet the required reforms over the next few years.”

Given the limited resources of the local community and the Council’s restricted capacity to produce its own source funding, productivity to this community means the ability to strive for continuous innovation, efficient use of resources and ongoing sustainable growth of population whilst striving for better economic and social outcomes<sup>4</sup>.

### 1.3.1 Council Improvement Proposal

Gwydir Shire had two options listed under the final report from the Independent Review Panel. The options were to either consider a merger with Moree Plains Shire Council or participate in the Namoi Councils Joint Organisation. Gwydir Shire has chosen the Namoi Joint Organisation model and has become an active participant in the pilot program.

Council submitted a proposal under Council Improvement (Existing Structure) on 25 June 2015. Key points of the proposal are summarised below.

- > The Council has undertaken an in house review of its scale and capacity against the criteria outlined in the Panel’s report and believes that it satisfies these criteria in the context of the expectations of the area that it serves.
- > Eight community meetings were held throughout the Shire to gauge the mood of the residents with regard to the option of a merger with Moree Plains Shire Council. 505 residents attended these meetings and, except for one person, each meeting enthusiastically passed the following resolution:

“THIS MEETING DOES NOT SUPPORT ANY MERGER WITH MOREE PLAINS SHIRE COUNCIL OR ANY OTHER COUNCIL”.

Assumptions underpinning Councils strategy to become/ remain Fit For the Future include:

- > A Special Rate Variation will be supported by the community
- > Community discussions will lead to a mix of services & service level agreements that fit with expected future revenues
- > Significant reductions in depreciation as a result of improved methodologies and data in relation to the current road fair value revaluation process
- > A reduction of depreciation in relation to revised service standards in relation to renewal and maintenance of assets
- > Fine tuning the ratios will lead to more appropriate and relevant ratios and benchmarks
- > Assets identified as surplus to requirements result in sales
- > Reductions in employee costs as staff numbers are reduced due to attrition (positions not being filled as staff retire or resign) and potential redundancies due to reductions in service levels
- > Reduction in operating costs due to reduced service levels.

#### *Key strategies and outcomes*

The following Table provides a summary of the key strategies Gwydir Shire Council documented to improve performance against the sustainability benchmarks in the 2016-20 period, including expected outcomes.

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<sup>4</sup> Gwydir Shire Council Delivery Program, Adopted 11 February 2015

TABLE 1 KEY STRATEGIES AND OUTCOMES TO IMPROVE COUNCIL'S PERFORMANCE

Objective	Strategies	Key milestones	Outcome
<b>Sustainability</b>			
1. Increased revenues	a) Special Rate Variation (SRV)	Fully costed alternative service levels.  Community consultation in relation to acceptable mix of service levels to available funding.	Special rate variation submission and acceptance. Reductions in service levels in relation to operational activities and capital renewals is a staged fashion, leading to benchmark compliance.
2. Long term reductions in depreciation	a) Review asset renewal standards.  b) Review what is considered a 'satisfactory' mix of asset conditions.  c) Rationalisation of assets held.  d) Review construction and maintenance methodologies for improvements in cost and effective lives.  e) Financial modelling of alternatives.	In conjunction with Objective 1 (above), review service levels to determine what the mix of service levels and funding the community considers satisfactory.  Identify assets that may be disposed of – subject to restrictions imposed and liquidity of market.	Reduction of depreciation as a result of lower renewal standards, potentially longer lives from assets and disposal of surplus assets.  Long term alignment (with appropriate timeframes relative to effective lives of asset classes) of depreciation and renewal works.
3. Industry review and acceptance of ratio methodologies and benchmarks. There is significant debate regarding the ratio calculation methodologies and appropriateness of benchmarks	Being involved in debates and discussions regarding calculation methodologies and relevance of benchmarks.	Development of appropriate stances and viewpoints on methodologies and benchmarks.	Appropriate and industry supported methodologies and benchmarks.
<b>Infrastructure and service management</b>			
1. Long term alignment of depreciation and renewals	a) Review asset renewal standards.  b) Review what is considered a 'satisfactory' mix of asset conditions.  c) Rationalisation of assets held.  d) Review construction and maintenance methodologies for	Review service levels to determine what the mix of service levels and funding the community considers satisfactory.  Identify assets that may be disposed of – subject to restrictions imposed and liquidity of market.	Reduction of depreciation as a result of lower renewal standards, potentially longer lives from assets and disposal of surplus assets.

Objective	Strategies	Key milestones	Outcome
	improvements in cost and effective lives.		
2. Increased revenues	a) Special Rate Variation (SRV).  b) Improvements in distribution of Financial Assistant Grants methodologies.	Fully costed alternative service levels.  Community consultation in relation to acceptable mix of service levels to available funding.	Special rate variation submission and acceptance.  Reductions in service levels in relation to operational activities and capital renewals in a staged fashion, leading to benchmark compliance.
3. Reduction in borrowing costs	Review loan borrowings and consolidate at lower rates where possible.	Being considered 'Fit for the Future' will result in access to lower borrowing costs via Tcorp, otherwise at current market prices.	Reduction in borrowing costs will result in more funds being available for maintenance and/or renewals and potentially increase borrowing capabilities.
4. Industry review and acceptance of ratio methodologies and benchmarks. There is significant debate regarding the ratio calculation methodologies and appropriateness of benchmarks	Being involved in debates and discussions regarding calculation methodologies and relevance of benchmarks.	Development of appropriate stances and viewpoints on methodologies and benchmarks.	Appropriate and industry supported methodologies and benchmarks.
<b>Efficiency</b>			
1. Service level alignment with community expectations and available funding	In depth service level reviews for all council functions.	a) Alternative service levels identified and costed (sustainably).  b) Community consultation regarding mix of services, service levels and funding.	Service mix that is fit for purpose and accepted by the community, that is relevant and appropriately (sustainably) funded with proposed revenues.
2. Industry review and acceptance of ratio methodologies and benchmarks. There is significant debate regarding the ratio calculation methodologies and appropriateness of benchmarks	Being involved in debates and discussions regarding calculation methodologies and relevance of benchmarks.	Development of appropriate stances and viewpoints on methodologies and benchmarks.	Appropriate and industry supported methodologies and benchmarks.

### **Improvement Action Plan**

The following Table provides a summary of the key improvement actions that will be achieved in the first year of Gwydir Shire Council's plan to improve performance.

TABLE 2 SUMMARY OF COUNCIL'S KEY IMPROVEMENT ACTIONS

Actions	Milestones
<b>1. Special Rate Variation application</b>	<p>Further preparation of case – June to February</p> <ul style="list-style-type: none"> <li>- Community consultation (aided by the use of consultants) Sept – Jan</li> <li>- Submission to IPART in February 2017.</li> <li>- 2 x 15% SRV preliminary target for increase with final application determined in consultation with community.</li> </ul>
<b>2. Service level reviews</b>	<p>A full and extensive review of service levels as proposed will take significant time – quite easily extending beyond 1 year.</p> <p>Therefore it is essential to target services that have the most impact on ratio and sustainability results.</p> <p>This process has already commenced but will be significantly 'ramped up' so that the major contributors are included as part of the discussion with the community about the appropriate mix of services for the funding available.</p> <p>The objectives of the review must relate to sustainable outcomes.</p>
<b>3. Alignment of renewals and/or cash reserves and depreciation</b>	<p>Essentially part of the service level review process, either demonstrate alignment of renewals and depreciation or for asset classes with long effective lives that do not require renewals within the 10 year planning scope (e.g. bridges), the capacity to set aside cash reserves to fund renewals as and when required.</p> <p>We believe this approach should be applied to all asset classes, not just 'buildings and infrastructure'.</p>
<b>4. Reduction in borrowing costs</b>	<p>Nov-June – renegotiation of current borrowings with a view to restructure and reduce overall interest payments. Depending on FFTF outcomes this may be via Tcorp or via market mechanisms.</p>

### **1.4 Special Rate Variation**

We understand Council submitted an application to the Independent Pricing and Regulatory Tribunal (IPART) on 16 February 2015, for a Special Rate Variation (SRV) of 15% (inclusive of the 2.4% rate pegging allowance) for the 2015/2016 year and a further 15% Special Rate Variation (inclusive of rate pegging) for 2016/2017 year with a cumulative effect of 32.25%.

IPART partially approved this application, with a temporary increase for just 1-year of Gwydir Shire Council's application to permanently increase its general income by 32.25% over the next 2 years. One increase of 15% was allowed, instead of the two consecutive 15% increases the council requested. This amount includes the 2.4% rate peg.

#### **1.4.1 Drivers**

We understand that some of the drivers for the SRV application included:

- > Struggling to maintain service levels along with own source revenue obligations for Road to Recovery (Federal Government road funding initiative with strict compliance rules)

- > General Fund cash reserves run down to a level where significant expenditure cuts were required
- > Difficulties in maintaining existing services and expectations from the community
  - Examples where Gwydir is now providing services that many urban councils do not include aged care, preschool services, medical services. As part of Council's continual efforts to minimise costs, they have recently been successful in transferring responsibility for the day to day operations of medical services to another party.
- > Additional external pressures are also growing to improve Council's sustainability, for example the IP&R and Fit for the Future initiatives of the State Government.

Councils Long Term Financial Plan contains baseline and scenario based data and discussion around the need for the SRV:

*Additionally, if nothing is done in relation to funding as shown in Appendix A of the Long Term Financial Plan, service levels will need to be reduced and Council's financial position will continue to deteriorate – the operating result will become worse, General Fund cash will remain in a poor state, equity will continue to reduce. In almost every respect Councils long term sustainability problems become worse.*

*The Special Rate Variation proposal of 2 x 15% rate rises (appendix B Long Term Financial Plan) will not be the panacea to all problems, but will go a long way to ensure current levels of service (in a broad sense) are within reach. Council continues to review services to ensure there is a high level of correlation to the needs and wants of the community and that we have the right mix.*

#### 1.4.2 Community engagement activities

We understand council conducted engagement activities as part of the SRV application. The methods of engagement employed included shire wide focus groups, a community survey, media release, direct mail, indirect mail via 'To the Householder', Council's website, and an online discussion forum made available via Council's Facebook page.

The IPART determination report considered that the council has not made the community sufficiently aware of the planned impact on rates in 2015-16, and did not provide enough detail to the community around the cumulative nature of the rate rise. The determination also suggests Council did not respond adequately to key community concerns about the SRV.

## 2 Methodology

The following tasks were undertaken as part of this research:

- > *Meetings with Council's General Manager* – to scope the project and the key objectives.
- > *Background document review and analysis* of Council's financial performance data, and relevant submissions to the State Government and IPART – to provide the project team with a broad understanding of key objectives, visions and actions of Council, as well as known community views and contextual factors affecting the local area. As part of this review, the previous SRV application, the IPART assessment report, and consultation activities/outcomes were also analysed.
- > *Workshop with Council staff* 1 September 2015 – to discuss service reviews and priorities for service levels, as well as the evidence base to be used for the deliberative panel.
- > *Workshop with Councillors* 1 September 2015 – to discuss changing community needs, priorities for service levels, and the aims and objectives of the upcoming deliberative panel.
- > *A deliberative panel* 15<sup>th</sup> and 16<sup>th</sup> January 2016 in Bingara – to engage a representative group of the community around:
  - The future of Gwydir LGA including changing community needs
  - Service levels
  - Asset management, and
  - Decisions around revenue and rates.
- > *Feedback on findings* to the broader community, and *a survey* – to further test the outcomes of the deliberative panel, and to gauge broader community views on service levels and an increase in rates. The survey utilised a nonprobability sampling method and was not targeted to be representative of the population.

### 3 The Future of Gwydir Deliberative Panel

On 15<sup>th</sup> and 16<sup>th</sup> January 2016, 22 community members, five Council staff and three UTS:CLG facilitators, led by Associate Professor Roberta Ryan came together to discuss the future of the Gwydir local area at the Living Classroom in Bingara. The Mayor, Deputy Mayor and one Councillor were also there to observe the sessions. The General Manager was called on to present some of the detailed information to the group, and key Council staff were present to answer any technical questions raised by participants.

**THIS WEEK** PAGE 7 **PAGE 12**

## Deliberative panel looks at financial future of Gwydir Shire Council



Halls in the Gwydir Shire were targeted as possibly superfluous by some community members who took part in the Future of Gwydir Shire panel on the weekend.

Twenty three people, drawn from all parts of the Gwydir Shire, met in Bingara on Friday evening and all day on Saturday to suggest and discuss a range of measures which will contribute the long term future of Gwydir Shire.

The forum was facilitated by Associate Professor Roberta Ryan and a team from the University of Technology Sydney Centre for Local Government.

The eight men and 15 women were presented with detailed budget figures and tasked with recommending on a range of issues.

Prof Ryan explained the importance of getting a mix of people to take part in the forum, so the council can take on the views expressed.

Mayor, John Coulton welcomed the participants to the Living Classroom on Friday evening. Also in attendance on the Friday evening session was Cr. Jim Moore, and Cr. Catherine Egan was present on Saturday. The Councillors and the Council staff in attendance were not permitted to take part in the discussions, but were there only to answer questions.

In his welcome, Cr. Coulton said the decisions made by the panel "will be handy for us as a Council."

He warned if there is no rate rise beyond rate pegging, Council would have to reduce services.

Senior staff were introduced by General Manager, Max Eastcott.

"Council is faced with increased expectations, and reduced income," Mr. Eastcott said.

"Gwydir has increasing costs and decreasing revenue sources. Gwydir is not alone, but we need to make

**Left:** Deliberative panel participants.

### Bingara goes back to New England, Warialda to stay in Parkes

The town of Bingara will be in the electorate of New England following the release last week of the Augmented Electoral Commission decision on names and boundaries by the Redistribution Committee for New South Wales, which was detailed in its report of 16 October 2015: Proposed redistribution of New South Wales into electoral

Coulton, wrote to the Redistribution committee.

"During the seven years since becoming a Member I have learned

*Continued on Page 7*

#### 3.1 The process

##### 3.1.1 What is deliberation?

In large measure, deliberation rests on allowing the group to form a view based on individual values and in response to discussions with each other, the technical expertise presented, and the values of the group as a whole. Whilst a group view may not emerge, deliberation is one of the most powerful engagement approaches and can reveal more nuanced views and findings not uncovered through traditional engagement techniques. It allows participants to provide their views on the issue in full light of the potential impacts and outcomes of their own preferences and those of others.

The selection process for participants is crucial, and needs to ensure a diversity of values and socio-demographic profiles (i.e. age, gender, income, education, cultural diversity etc.). Depending on the issue being deliberated on, other attributes may also be important (for example, household type, dwelling / tenure type, location of residence etc.). This ensures a range of alternative viewpoints – one element crucial to successful deliberation – are represented in the room.

### 3.1.2 Participant selection

Participants were selected through a combination of an expression of interest process, a professional social research recruiter, and Council's key community organisation contact list. All participants were required to fill out a short survey to ensure a diversity of views, values and socio-demographic profiles were canvassed in the sessions. The group was made up of a range of:

- > Business owners and residents in the Gwydir LGA
- > Age groups (from 18 to 79)
- > Place of residence (including relatively even numbers from Bingara, Warialda and surrounding towns and localities)
- > Education levels, employment status and occupations
- > Interactions with local government (including participants who are regularly involved in local government activities, and others who had never been involved before).

*\*\* Note: some difficulties recruiting males meant that numbers of females were greater than males at both sessions.*

### 3.2 Key information presented

The sessions provided a chance for every day citizens of Gwydir LGA to learn about Council's financial sustainability issues (by hearing from and cross examining Council experts), to reflect on it together (with the help of a professional facilitator), and to craft recommendations for Council.

It provided a significant opportunity for Gwydir residents and business owners to understand Council's financial sustainability challenges, as well as the variety of services provided by Council, and to express their support, concerns and ideas.

Detailed information was presented to the participants on:

- > Council's financial sustainability, including data on current/ projected operating results.
- > Council's revenue and expenses and how this compares with other General Purpose Councils in NSW.
- > Results of key independent reviews on local government and implications for Council.
- > Service profiles for over 30 service units at Council, including budgets, details of service, key performance indicators, strategic alignment, and any depreciation/ maintenance costs.
- > Rating scenarios including pre-calculated individual rating burden for each participant (2015/16 levied with 15% SRV, 15% increase above current year, and 30% with estimated 2017/ 18 rate peg of 2.4%). An anonymized table of rate implications for individual participants can be found at Appendix A.

Appendix B contains the PowerPoint presentation used across the two sessions. This shows the structure, key discussion questions and key information presented at the sessions.

## 4 Key Findings

## 4.1 Future of Gwydir Deliberative Panel

#### **4.1.1 Views on what participants value about the local area**

At the start of the second session participants were asked to write down what they value about their local area. The word bubble below depicts a summary of responses. Where words were more frequently cited, the text size is larger.



#### **4.1.2 Views on service levels**

The need to reduce service levels in light of Council's financial challenges was discussed with the group. Views on service levels were canvassed individually, as well as in smaller groups and through a broader group discussion. It became evident that participants generally valued the range of services and infrastructure provided by Council highly, and consensus with regards to cost savings, reduction in service levels and rationalisation of assets was difficult to reach across the group.

## ***Most important services provided by Council***

Participants were asked individually what they thought are the most important services council provides. Of the range of responses, the provision and maintenance of roads was the most common response, followed by social services such as aged and disability care, education and health. The third most common response category was environmental management, including services such as waste, water and weed control.

- > Socio-economic profiles, age, family type and place of residence appeared to have a significant impact on how Council services are valued. For example, women with children were more likely to place greater importance on childcare, healthcare and schools, whereas participants engaged in the agricultural sector were more likely to place greater importance

on road maintenance. Not surprisingly, participants tended to value infrastructure and services located in towns/ areas where they lived as very important.

#### **Potential areas for cost saving**

Participants were individually asked what they thought were the top three service areas where Council could make cost savings. Participants cited a variety of individual service areas that could be reduced; however, there was not a lot of commonality across responses. Some services listed for potential cost savings included:

- > Parks and gardens (reducing mowing and maintenance of town verges)
- > Community halls and community centres
- > Pools
- > Health services
- > Road maintenance.

Several participants cited Council staff salary costs and benefits as being a potential area for Council cost-savings, as well as the operation of two Council offices.

Several participants identified opportunities to rationalise assets or transfer assets back to the community and other organisations. This was raised in the context of:

- > Community halls, community centres and buildings that were seen by some as being underutilized/ not fit for purpose
- > Transferring the management of pools, caravan parks, Naroo and the show ground to the community/ private sector.

The following quotes demonstrate the difficulty that was evident in Council decisions around asset rationalization and reducing service levels:

*“Close North Star Hall, Croppa Creek Hall and Bingara Civic Centre as these places no longer serve a purpose... they were built for a different facility and a different age... that floor at North Star was originally put in for dancing which it is no longer used for... it should be closed and sold off by Council, we can't keep ploughing money into it”*  
(Participant: Male, North Star).

*“North Star Hall is essential – Tharawunga uses this for the pre-school... I mop that floor every week... we need a hall for the school to use that has a stage and doesn't have a liquor license so that the kids can use it”* (Participant: Female, Yallaroi).

The challenge associated with Council decisions around reducing levels of service was acknowledged by many participants at the end of the session, and during the final session remarks. Participants appreciated being able to hear a wide range of views from across the local area, and demonstrated an understanding of the implications for the future financial sustainability of the Council.

*“I had not understood the complexity of this, and the political implications involved. I wish all my neighbours had come along (to this session) – it would have stopped everyone saying ‘why doesn't Council do this, or why doesn't Council do that’. When you are running a Council you have to consider the whole community* (Participant: Female 1, Upper Horton).

*“It really educated me on how complex everything is. It's easy to say the council should/can do this and that but now know things are not that easy and decisions made may not impact some but may hugely impact others. I will be less likely to be swayed by others again without my own informed opinion.”* (Participant: Female 2, Upper Horton)

#### **4.1.3 Opportunities for increasing revenue**

Throughout the sessions, participants identified revenue raising opportunities other than increasing rates, including:

- > Increasing fees and charges for sporting clubs regularly using Council sport and recreation facilities
- > Better promotion of the local area to attract more visitors and residents
- > Drawing on the strengths of the Living Classroom and the Gwydir Learning region – education programs targeted at promoting the area as an agricultural capital
- > Greater community involvement in maintenance of community centres and sports grounds/facilities
- > Increase return on investment of the Roxy and Naroo through potential expansion
- > Promote the strengths of the area to increase visitation and stimulate the economy, including developing the area as the regions “food bowl” and “agricultural education capital”
- > Community donations and philanthropy for locally significant projects
- > Providing a pet boarding facility as part of the new dog pound.

#### **4.1.4 Support for different rating scenarios**

Participants were asked at two different stages of the second session whether they would support a rate rise. The first time was at the start of session two, before any information on service levels had been presented. At this stage, participants were given a spreadsheet with anonymised rate assessments for each person in the group. The spreadsheet showed participants what the impact on their individual rates would be in four scenarios:

1. Current 2015/ 16 rates levied with 15% SRV
2. 2016/ 17 rates less 12.6% SRV, plus a 1.8% rate peg
3. 2017/ 18 rates levied with 15% increase above current year (which already includes a temporary 15%), and
4. 2017/18 rates levied with 32.25% increase over rates levied in 2014/15, plus the estimated 2.4% rate pegging amount for 2017/18).

When initially asked if participants would support a rate rise the following responses were received:

<b>YES</b>	<b>YES - conditionally</b>	<b>Maybe</b>	<b>No</b>
<b>10</b>	<b>4</b>	<b>5</b>	<b>3</b>

**TOTAL n= 22**

Participants were asked again at the end of the session whether they would support a rate rise. The following responses were received:

<b>YES</b>	<b>YES - conditionally</b>	<b>No</b>
<b>16</b>	<b>3</b>	<b>3</b>

**TOTAL n=22**

The following quotes demonstrate some participant views on the rate rise:

*“It has been a very constructive meeting because there has been such a variety of views and ideas. I really appreciate the staff’s frank and honest discussion – a lot of the stuff we don’t have the knowledge about. Some of my attitudes haven’t changed – I have been in support of Council and a rate rise anyway and this has increased that support... it will give me ammunition to speak to other people about it” (Participant: Male, Delungra).*

*“I came here (to the session) concerned about the rate rise and the effect on my household. I do realise now that it has to happen – if we don’t do it everyone will move on. We need to do it for the community. This has been a big eye opener to see where money goes and how much it does cost to maintain. I didn’t realise how many services there are until you see the information in front of you” (Participant: Female, Warialda).*

*“I have always thought this council does a great job – they do a lot of different things that other councils don’t do. I have always supported Council, but in the back of my mind, I always thought ‘is it like State and Federal government where you give them money and it disappears?’ This shows that it doesn’t... it has given me a lot of confidence. I support the rate rise, and for us being a business, they changed the structure so for the last one so it was a 100% rate rise for us, and this one is 150% rate rise... but if I want to live in this community and get the services, I support it” (Participant: Male, Bingara).*

## 4.2 Post-Deliberative Panel community survey

An online survey containing details of the deliberative panel process and findings was designed by UTS:CLG with a unique URL [www.futuregwydir.com.au](http://www.futuregwydir.com.au). A copy of the survey instrument can be found at Appendix C. The aim of the survey was to test back findings of the deliberative panel, and to gauge broader community views on service levels and an increase in rates. The survey link was distributed by Council and was advertised in the two local papers – the Bingara Advocate and the Warialda Standard. It was also posted on Council’s Facebook page.

94 people responded to the survey, and the key findings are discussed below. It is important to note that a limitation of the survey instrument includes that it is not representative of the population.

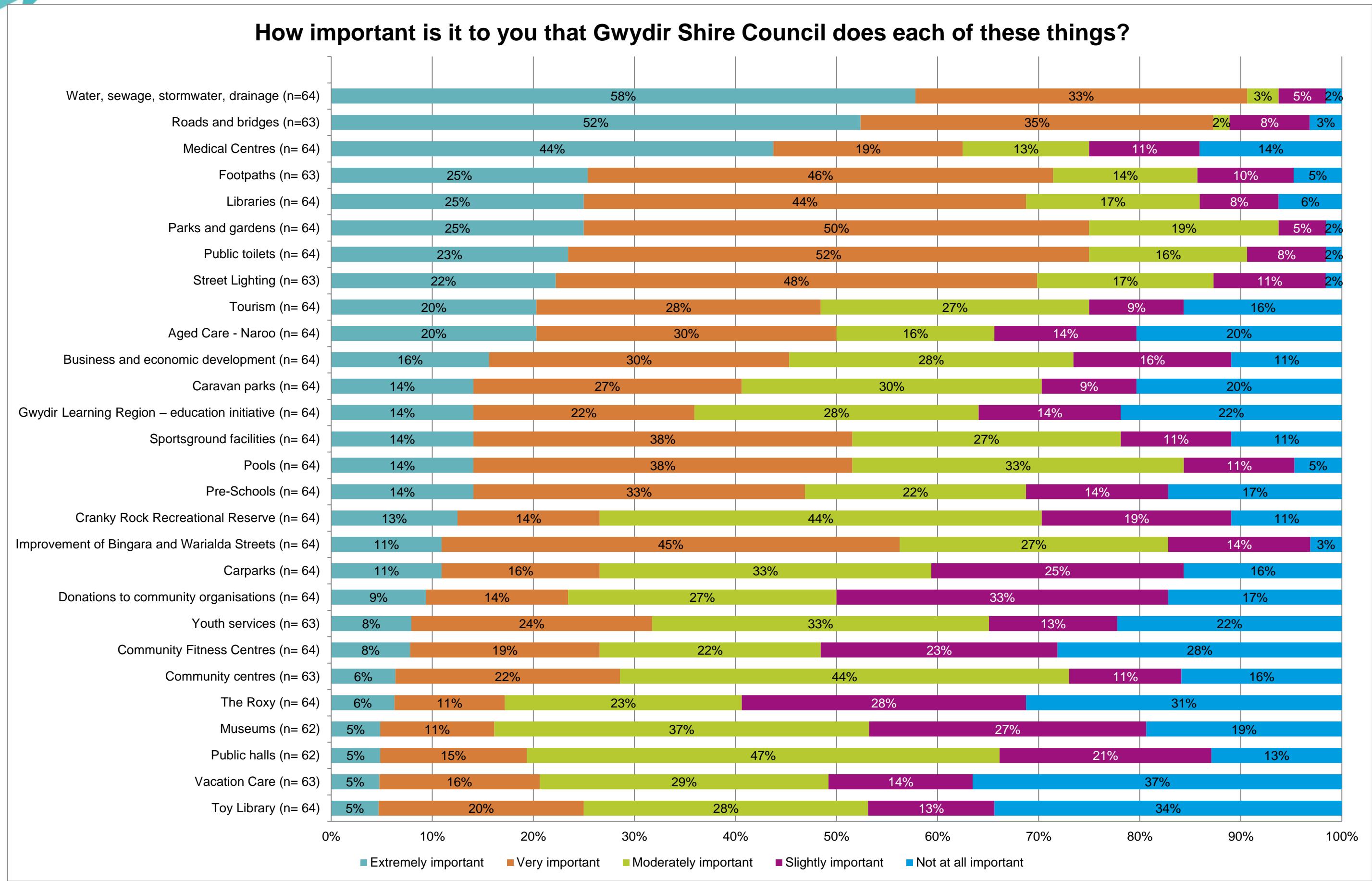
### *Most important services provided by Council*

Survey respondents were given a list of different things done by Council and asked to rate how important it is to them that Gwydir Shire Council provide and/or undertake each item in the list.

- > The majority of respondents (58%; n=37) rated ‘water, sewage, stormwater and drainage’ and ‘roads and bridges’ (52%; n=33) as ‘extremely important’ things done by Council.
- > Traditional Council services such as ‘parks and gardens’ (50%; n=32) and ‘public toilets’ (52%; n=33) were also ranked by a large proportion of respondents as being ‘very important’ services.
- > ‘Vacation care’ (37%; n=23) and the ‘Toy library’ (34%; n=22) were ranked as ‘not important at all’ by a large proportion of respondents.

Services that are more commonly considered core Council functions, such as water, sewage, stormwater and drainage (58%, n=37); roads and bridges (52%, n=33); and footpaths (25%, n=16) are more likely to be considered extremely important when compared with Council services that are less traditional including arts and culture facilities such as The Roxy (6%, n=4) and museums (5%, n=3); and child services such as vacation care (5%, n=3) and the Toy Library (5%, n=3).

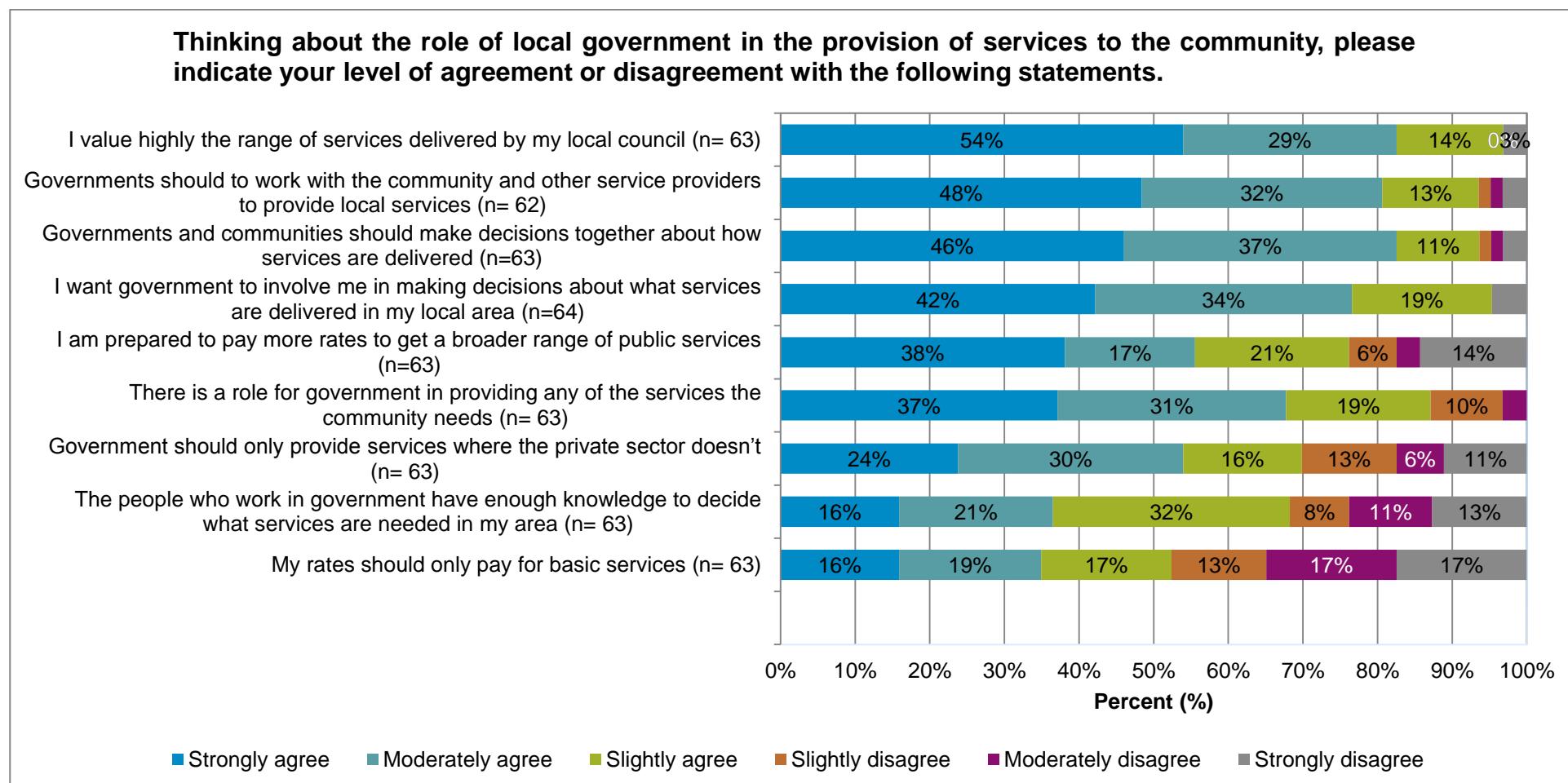
FIGURE 1 HOW IMPORTANT IS TO YOU THAT GWYDIR SHIRE COUNCIL DOES EACH OF THESE THINGS



## *Role of local government in the provision of services to the community*

The survey instructed respondents to think about the role of local government in the provision of services to the community and to indicate the level of agreement or disagreement to a list of statements.

FIGURE 2 ROLE OF LOCAL GOVERNMENT IN THE PROVISION OF SERVICES TO THE COMMUNITY



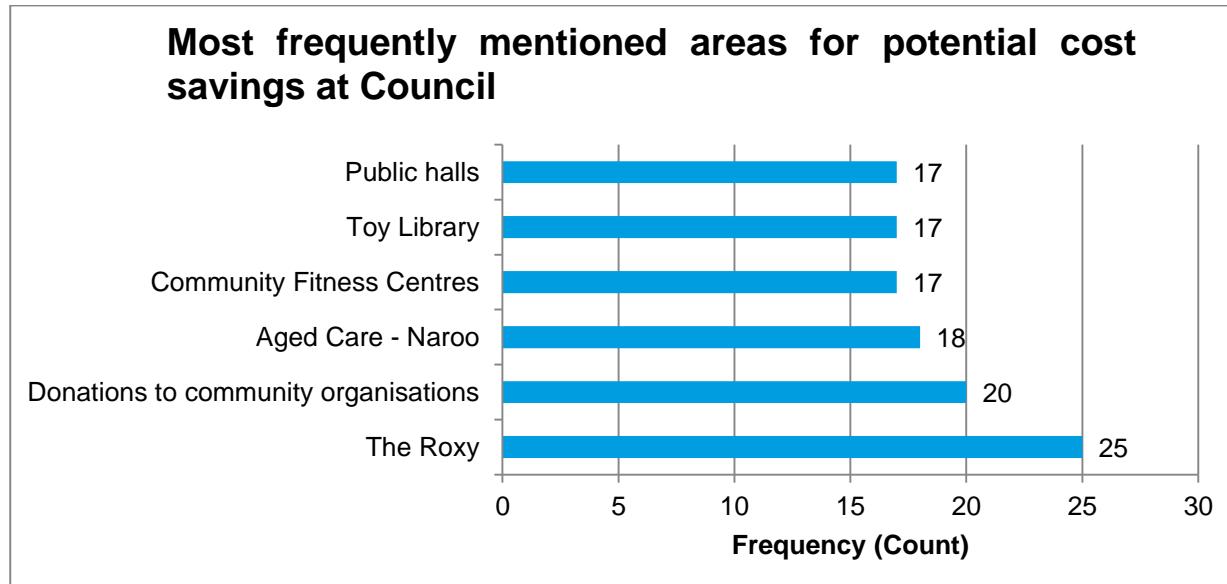
Respondents indicated high levels of strong agreements to many of the statements provided. Respondent's levels of strong agreement indicate highly valuing the range of services delivered by Council and a belief that communities and governments should work together.

- > The majority of respondents (54%; n=34) strongly agree that they value highly the range of services delivered by their local council.
- > A large proportion of respondents (48%; n=30) strongly agree that governments should work with the community and other service providers to provide local services and that government and communities should make decisions together about how services are delivered (46%; n=29).
- > A large proportion of respondents strongly agree (38%; n=24) or moderately agree (17%; n=11) to being prepared to pay more rates to get a broader range of public services.
- > Respondents were less likely to strongly agree that the people who work in government have enough knowledge to decide what services are needed in their area (16%, n=10); and that rates should only pay for basic services (16%; n=10).

#### **Potential areas for cost saving**

Respondents were presented with a list of 30 different Council service areas and were asked to nominate their top five areas for potential cost savings at Council.

FIGURE 3 MOST FREQUENTLY MENTIONED AREAS FOR POTENTIAL COST SAVINGS AT COUNCIL



Across the top 5 areas for potential cost savings at Council, ‘The Roxy’ was the most frequently nominated (n=25) followed by ‘Donations to community organisations’ (n= 20); ‘Aged Care – Naroo’ (frequency= 18) and ‘Community Fitness Centres’ (n=17); ‘Toy Library’ (n= 17); and ‘Public Halls’ (n= 17).

- > Of the top 5 areas for potential cost savings at Council, the area with the most potential for cost savings was ‘The Roxy’ (n= 9) followed by Aged Care Naroo (n = 7).
- > The areas with the second most potential for cost savings included ‘The Roxy’ (n= 5); ‘Donations to community organisations’ (n= 5); and ‘Public halls’ (n= 5).
- > The area with the third most potential cost savings for Council was ‘Community fitness centres’ (n= 7).

TABLE 3 TOP 5 AREAS FOR POTENTIAL COST SAVINGS AT COUNCIL

	Area 1	Area 2	Area 3	Area 4	Area 5	Total
<b>The Roxy</b>	9	5	5	5	1	25
<b>Donations to community organisations</b>	4	5	5	5	1	20
<b>Aged Care - Naroo</b>	7	3	4	1	3	18
<b>Community Fitness Centres</b>	1	2	7	3	4	17
<b>Toy Library</b>	4	1	5	4	3	17
<b>Public halls</b>	4	5	3	3	2	17

Three respondents selected ‘Other’ and were asked to specify the cost saving opportunity. The responses are listed in the table below.

FIGURE 4 'OTHER' – TOP 5 AREAS FOR POTENTIAL COST SAVINGS AT COUNCIL

You've selected 'Other' Please specify cost saving opportunity below.	Frequency
<b>all town shire town street improvements</b>	1
<b>Expensive trips by councillors and staff with doubtful rewards</b>	1
<b>reduce office staff there are seventy of them</b>	1

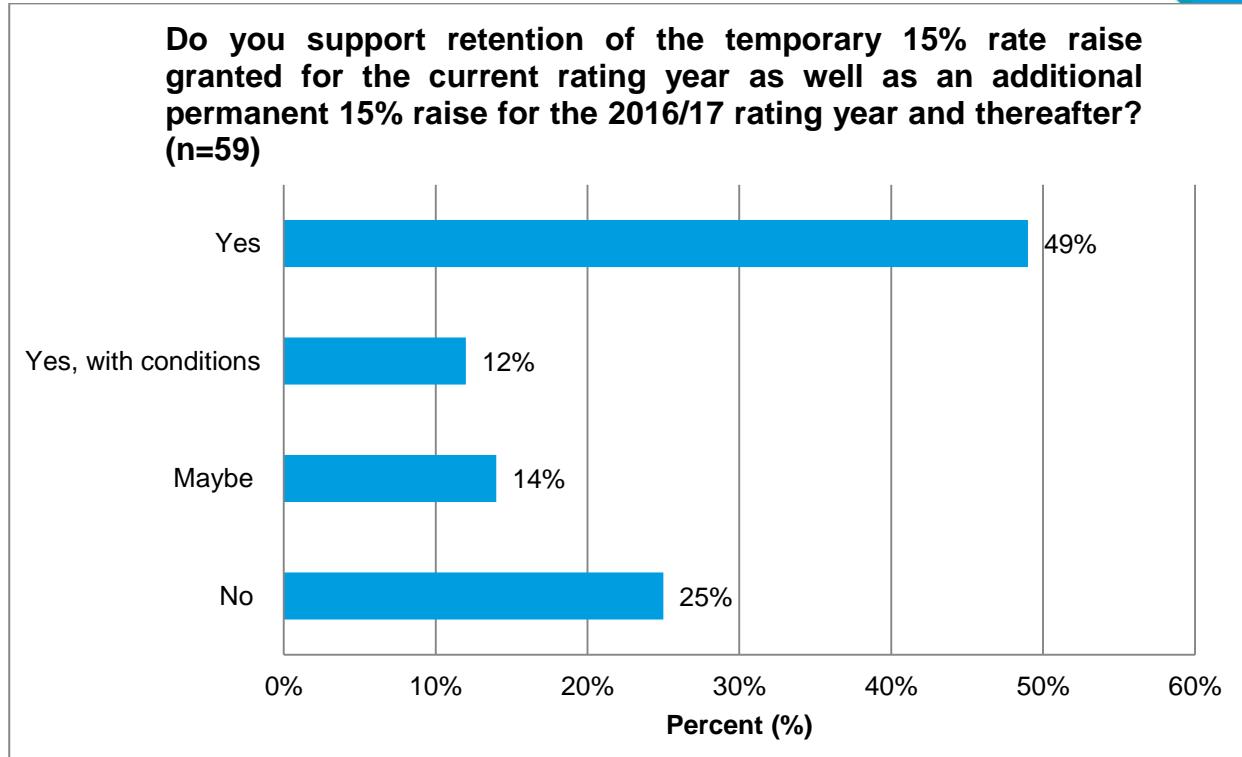
#### *Support for different rating scenarios*

Respondents were given information regarding Council’s application to the Independent Pricing and Regulatory Tribunal (IPART) for a Special Rate Variation. The survey also provided a table outlining the impact on each rating category in different scenarios.

Respondents were asked whether they support retention of the temporary 15% rate raise granted for the current rating year as well as an additional permanent raise for the 2016/17 rating year and thereafter.

- > 49% (n=29) of respondents support the retention of the temporary 15% rate raise as well as an additional permanent rate raise for the 2016/17 rating year and thereafter.
- > 12% (n=7) of respondents supported the retention of the temporary 15% as well as the additional rate raise for 2016/17 rating year and thereafter with conditions.
- > 25% (n=15) of respondents did not support the retention of the temporary 15% rate raise and the additional permanent raise for the 2016/17 year.

FIGURE 5 SUPPORT FOR DIFFERENT RATING SCENARIOS



Six respondents listed the conditions under which they would support the retention of the temporary 15% rate raise as well as the additional permanent 15% raise for the 2016/17 year and onwards.

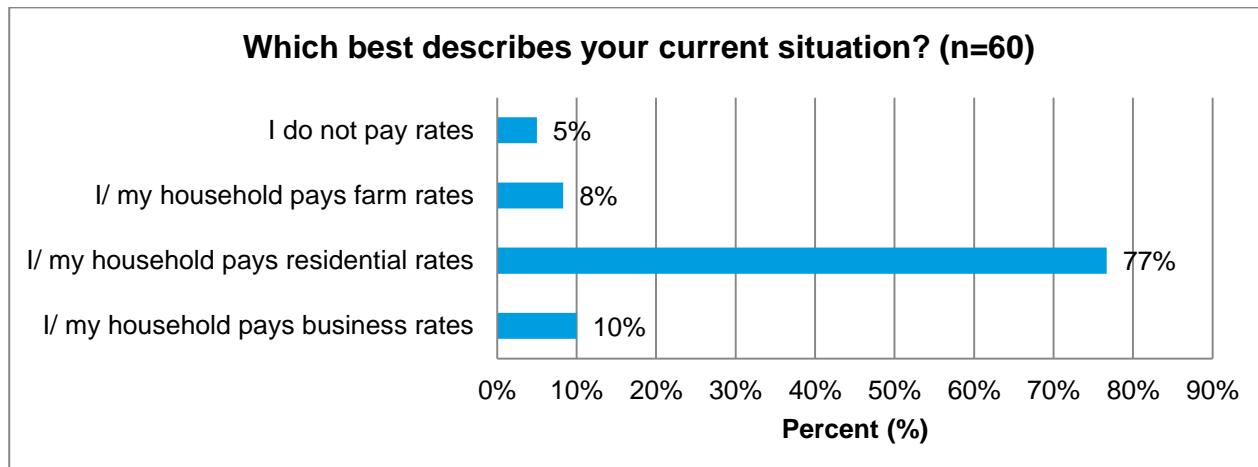
The conditions included combining services such as placing educational toys in the public library, returning assets and services to the community and privatising assets.

#### *Demographics*

Respondents were asked to select what best described their current rating category.

- > The majority of respondents (77%; n=46) selected 'I/my household pays residential rates'.
- > 10% (n=6) of respondents selected 'I/my household pays business rates' and 8% (n=5) of respondents selected 'I/my household pays farm rates'.

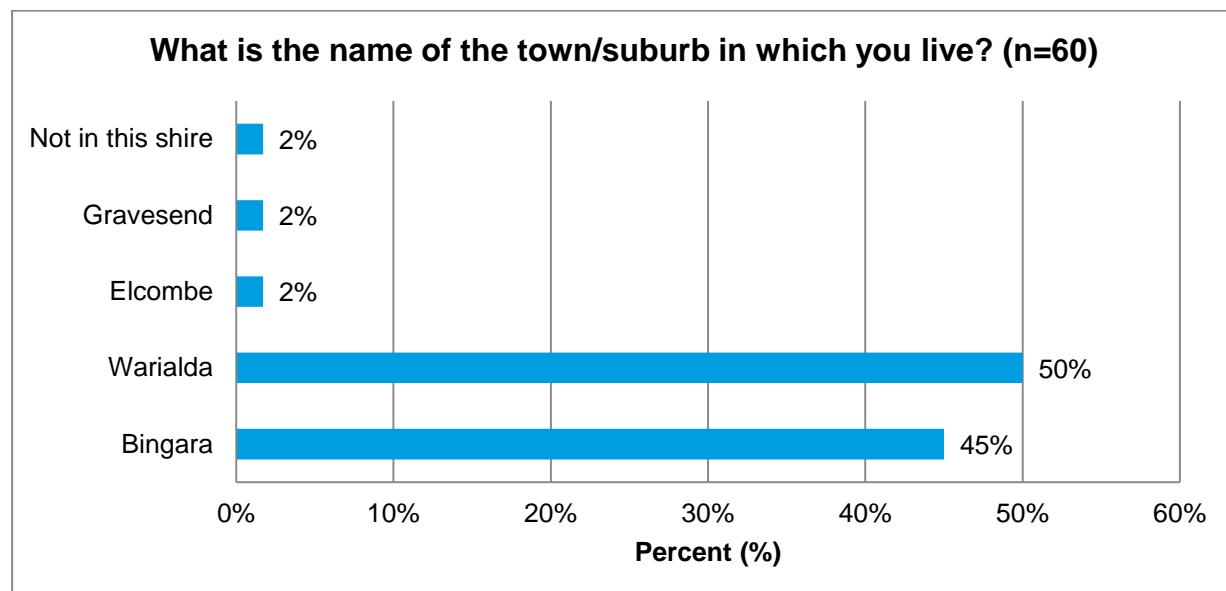
FIGURE 6 WHICH BEST DESCRIBES YOUR RATING SITUATION



The final question asked respondents to name the town/suburb in which they live.

- > 50% (n=30) of respondents live in Warialda while 45% (n=27) of respondents live in Bingara.

FIGURE 7 NAME OF THE TOWN/SUBURB IN WHICH YOU LIVE



## 5 Conclusion

This report has been prepared independently by UTS:CLG. It contains the findings of community engagement activities conducted in Gwydir Shire Council in 2016 including:

- > A deliberative panel with 22 community members, and
- > A community survey completed by 94 community members.

### 5.1 Summary of key findings

The Future of Gwydir Deliberative Panel:

- > At the end of the two day session, 19 participants indicated they would support a rate raise, whilst three participants indicated they would not.
- > Participants appreciated being able to hear a wide range of views from across the local area, and demonstrated an understanding of the implications for the future financial sustainability of the Council.
- > Most participants highly value the range and levels of services and infrastructure provided by Council.
- > The provision and maintenance of roads was the most highly valued service provided by Council, followed by social services such as aged and disability care, education and health. The third most common response category was environmental management, including services such as waste, water and weed control.
- > Consensus with regards to cost savings, reduction in service levels and rationalisation of assets was difficult to reach across the group. Some areas of opportunity raised included:
  - Rationalising assets or transferring assets back to the community and other organisations, such as community halls, community centres and buildings that were seen by some as being underutilized/ not fit for purpose.
  - Transferring the management of pools, caravan parks, Naroo and the show ground to the community/ private sector.
  - Reduced service levels for parks and gardens (including reducing mowing and maintenance of town verges).

Post-Deliberative Panel community survey:

- > 49% (n=29) of respondents support the retention of the temporary 15% rate raise granted for the current rating year as well as an additional permanent 15% raise for the 2016/17 rating year and thereafter.
- > Respondents strongly agree to highly valuing the range of services delivered by Council (54%, n=34).
- > The provision of traditional core Council functions such as 'water, sewage, stormwater and drainage' (58%, n=37) and 'roads and bridges' (52%, n=33) were more likely to be rated as 'extremely important' services done by Council.
- > The provision of arts and culture facilities such as 'The Roxy' (6%, n=4) and 'Museums' (5%, n=3) and children services such as 'Toy Libraries' (5%, n=3) and 'Vacation care' (5%, n=3) were less likely to be considered 'extremely important' services done by Council.
- > The most frequently mentioned areas for potential cost savings at Council included 'The Roxy' (n=25); 'Donations to community organisations' (n=20) and Aged Care – Naroo (n=18).

## 5.2 Next steps

Key findings from this research project will be used by Council to shape decisions on their long term financial planning, service delivery, asset management, own source revenue and rates.

## Appendix A. Participant Rating Scenarios

Levy 2014/2015						
Assessment	Rate Diff Code	Land Value Base 01/07/2012	2014/2015 Ad Valorem \$	General Rates 2014/2015	Base Amount 2014/2015	Total Gen + Base 2014/2015
10105377	8. Bingara Business Ordinary	\$ 60,000.00	\$ 0.013770250	\$ 826.22	\$ 150.00	\$ 976.22
10107241	7. Bingara Urban Residential Ordinary	\$ 42,800.00	\$ 0.010257050	\$ 439.00	\$ 120.00	\$ 559.00
10100303	1. Farmland Ordinary	\$ 167,000.00	\$ 0.003715960	\$ 620.57	\$ 160.00	\$ 780.57
10014231	2. Warialda Urban Residential Ordinary	\$ 20,400.00	\$ 0.015032610	\$ 306.67	\$ 120.00	\$ 426.67
10114304	1. Farmland Ordinary	\$ 3,100,000.00	\$ 0.003715960	\$ 11,519.48	\$ 160.00	\$ 11,679.48
10006807	1. Farmland Ordinary	\$ 1,370,000.00	\$ 0.003715960	\$ 5,090.87	\$ 160.00	\$ 5,250.87
10000297	1. Farmland Ordinary	\$ 242,000.00	\$ 0.003715960	\$ 899.26	\$ 160.00	\$ 1,059.26
10030633	1. Farmland Ordinary	\$ 320,000.00	\$ 0.003715960	\$ 1,189.11	\$ 160.00	\$ 1,349.11
10019750	1. Farmland Ordinary	\$ 385,000.00	\$ 0.003715960	\$ 1,430.64	\$ 160.00	\$ 1,590.64
10101426	7. Bingara Urban Residential Ordinary	\$ 59,800.00	\$ 0.010257050	\$ 613.37	\$ 120.00	\$ 733.37
10014959	2. Warialda Urban Residential Ordinary	\$ 13,200.00	\$ 0.015032610	\$ 198.43	\$ 120.00	\$ 318.43
10007979	1. Farmland Ordinary	\$ 3,100,000.00	\$ 0.003715960	\$ 11,519.48	\$ 160.00	\$ 11,679.48
10012656	2. Warialda Urban Residential Ordinary	\$ 21,800.00	\$ 0.015032610	\$ 327.71	\$ 120.00	\$ 447.71
10015048	2. Warialda Urban Residential Ordinary	\$ 14,200.00	\$ 0.015032610	\$ 213.46	\$ 120.00	\$ 333.46
10003093	1. Farmland Ordinary	\$ 1,750,000.00	\$ 0.003715960	\$ 6,502.93	\$ 160.00	\$ 6,662.93
10015295	2. Warialda Urban Residential Ordinary	\$ 22,600.00	\$ 0.015032610	\$ 339.74	\$ 120.00	\$ 459.74
10016202	2. Warialda Urban Residential Ordinary	\$ 16,900.00	\$ 0.015032610	\$ 254.05	\$ 120.00	\$ 374.05
10019362	1. Farmland Ordinary	\$ 876,000.00	\$ 0.003715960	\$ 3,255.18	\$ 160.00	\$ 3,415.18
10019362	1. Farmland Ordinary	\$ 1,507,000.00	\$ 0.003715960			\$ -
10111466	1. Farmland Ordinary	\$ 180,000.00	\$ 0.003715960	\$ 668.87	\$ 160.00	\$ 828.87
10028751	1. Farmland Ordinary	\$ 717,000.00	\$ 0.003715960	\$ 2,664.34	\$ 160.00	\$ 2,824.34
10104503	7. Bingara Urban Residential Ordinary	\$ 39,800.00	\$ 0.010257050	\$ 408.23	\$ 120.00	\$ 528.23
10100626	1. Farmland Ordinary	\$ 100,000.00	\$ 0.003715960	\$ 371.60	\$ 160.00	\$ 531.60
10013886	2. Warialda Urban Residential Ordinary	\$ 33,000.00	\$ 0.015032610	\$ 496.08	\$ 120.00	\$ 616.08
10113900	6. Rural Residential Ordinary	\$ 75,000.00	\$ 0.007091100	\$ 531.83	\$ 70.00	\$ 601.83

Levy 2015/2016 - Levied With 15% Special Rate Variation					
Assessment	2015/2016 Ad Valorem \$	General Rates 2015/2016	Base Amount 2015/2016	Total Gen + Base 2015/2016	New Valuations Base 01/07/2015
10105377	\$ 0.02621770	\$ 1,573.06	\$ 300.00	\$ 1,873.06	\$ 60,000.00
10107241	\$ 0.01224400	\$ 524.04	\$ 225.00	\$ 749.04	\$ 42,800.00
10100303	\$ 0.00394230	\$ 658.36	\$ 300.00	\$ 958.36	\$ 167,000.00
10014231	\$ 0.01819890	\$ 371.26	\$ 225.00	\$ 596.26	\$ 20,400.00
10114304	\$ 0.00394230	\$ 12,221.13	\$ 300.00	\$ 12,521.13	\$ 3,010,000.00
10006807	\$ 0.00394230	\$ 5,400.95	\$ 300.00	\$ 5,700.95	\$ 1,470,000.00
10000297	\$ 0.00394230	\$ 954.04	\$ 300.00	\$ 1,254.04	\$ 230,000.00
10030633	\$ 0.00394230	\$ 1,261.54	\$ 300.00	\$ 1,561.54	\$ 315,000.00
10019750	\$ 0.00394230	\$ 1,517.79	\$ 300.00	\$ 1,817.79	\$ 420,000.00
10101426	\$ 0.01224400	\$ 732.19	\$ 225.00	\$ 957.19	\$ 59,800.00
10014959	\$ 0.01819890	\$ 240.23	\$ 225.00	\$ 465.23	\$ 13,200.00
10007979	\$ 0.00394230	\$ 12,221.13	\$ 300.00	\$ 12,521.13	\$ 2,950,000.00
10012656	\$ 0.01819890	\$ 396.74	\$ 225.00	\$ 621.74	\$ 21,800.00
10015048	\$ 0.01819890	\$ 258.42	\$ 225.00	\$ 483.42	\$ 14,200.00
10003093	\$ 0.00394230	\$ 6,899.03	\$ 300.00	\$ 7,199.03	\$ 1,720,000.00
10015295	\$ 0.01819890	\$ 411.30	\$ 225.00	\$ 636.30	\$ 22,600.00
10016202	\$ 0.01819890	\$ 307.56	\$ 225.00	\$ 532.56	\$ 16,900.00
10019362	\$ 0.00394230			\$ -	\$ -
10019362	\$ 0.00394230	\$ 5,941.05	\$ 300.00	\$ 6,241.05	\$ 1,470,000.00
10111466	\$ 0.00394230	\$ 709.61	\$ 300.00	\$ 1,009.61	\$ 138,000.00
10028751	\$ 0.00394230	\$ 2,826.63	\$ 300.00	\$ 3,126.63	\$ 719,000.00
10104503	\$ 0.01224400	\$ 487.31	\$ 225.00	\$ 712.31	\$ 39,800.00
10100626	\$ 0.00394230	\$ 394.23	\$ 300.00	\$ 694.23	\$ 100,000.00
10013886	\$ 0.01819890	\$ 600.56	\$ 225.00	\$ 825.56	\$ 33,000.00
10113900	0.008350500	\$ 626.29	\$ 150.00	\$ 776.29	\$ 75,000.00

	Less 12.6% Special Rate Variation + 1.8% Rate Peg			
Assessment	2016/2017 Ad Valorem \$	General Rates 2016/2017	Base Amount 2016/2017	Total Gen + Base 2016/2017
10105377	\$ 0.0242908	\$ 1,457.45	\$ 300.00	\$ 1,757.45
10107241	\$ 0.0103383	\$ 442.48	\$ 225.00	\$ 667.48
10100303	\$ 0.0035502	\$ 592.89	\$ 300.00	\$ 892.89
10014231	\$ 0.0151889	\$ 309.85	\$ 225.00	\$ 534.85
10114304	\$ 0.0035502	\$ 10,686.23	\$ 300.00	\$ 10,986.23
10006807	\$ 0.0035502	\$ 5,218.86	\$ 300.00	\$ 5,518.86
10000297	\$ 0.0035502	\$ 816.56	\$ 300.00	\$ 1,116.56
10030633	\$ 0.0035502	\$ 1,118.33	\$ 300.00	\$ 1,418.33
10019750	\$ 0.0035502	\$ 1,491.10	\$ 300.00	\$ 1,791.10
10101426	\$ 0.0103383	\$ 618.23	\$ 225.00	\$ 843.23
10014959	\$ 0.0151889	\$ 200.49	\$ 225.00	\$ 425.49
10007979	\$ 0.0035502	\$ 10,473.22	\$ 300.00	\$ 10,773.22
10012656	\$ 0.0151889	\$ 331.12	\$ 225.00	\$ 556.12
10015048	\$ 0.0151889	\$ 215.68	\$ 225.00	\$ 440.68
10003093	\$ 0.0035502	\$ 6,106.42	\$ 300.00	\$ 6,406.42
10015295	\$ 0.0151889	\$ 343.27	\$ 225.00	\$ 568.27
10016202	\$ 0.0151889	\$ 256.69	\$ 225.00	\$ 481.69
10019362	\$ 0.0035502	\$ -		\$ -
10019362	\$ 0.0035502	\$ 5,218.86	\$ 300.00	\$ 5,518.86
10111466	\$ 0.0035502	\$ 489.93	\$ 300.00	\$ 789.93
10028751	\$ 0.0035502	\$ 2,552.62	\$ 300.00	\$ 2,852.62
10104503	\$ 0.0103383	\$ 411.46	\$ 225.00	\$ 636.46
10100626	\$ 0.0035502	\$ 355.02	\$ 300.00	\$ 655.02
10013886	\$ 0.0151889	\$ 501.24	\$ 225.00	\$ 726.24
10113900	0.0071310	\$ 534.83	\$ 225.00	\$ 759.83

15% Increase Above Current Year				
Assessment	2016/2017 Ad Valorem \$	General Rates 2016/2017	Base Amount 2016/2017	Total Gen + Base 2016/2017
10105377	\$ 0.0344612	\$ 2,067.67	\$ 300.00	\$ 2,367.67
10107241	\$ 0.0154314	\$ 660.47	\$ 225.00	\$ 885.47
10100303	\$ 0.0047364	\$ 790.99	\$ 300.00	\$ 1,090.99
10014231	\$ 0.0232010	\$ 473.30	\$ 225.00	\$ 698.30
10114304	\$ 0.0047364	\$ 14,256.68	\$ 300.00	\$ 14,556.68
10006807	\$ 0.0047364	\$ 6,962.56	\$ 300.00	\$ 7,262.56
10000297	\$ 0.0047364	\$ 1,089.38	\$ 300.00	\$ 1,389.38
10030633	\$ 0.0047364	\$ 1,491.98	\$ 300.00	\$ 1,791.98
10019750	\$ 0.0047364	\$ 1,989.30	\$ 300.00	\$ 2,289.30
10101426	\$ 0.0154314	\$ 922.80	\$ 225.00	\$ 1,147.80
10014959	\$ 0.0232010	\$ 306.25	\$ 225.00	\$ 531.25
10007979	\$ 0.0047364	\$ 13,972.49	\$ 300.00	\$ 14,272.49
10012656	\$ 0.0232010	\$ 505.78	\$ 225.00	\$ 730.78
10015048	\$ 0.0232010	\$ 329.45	\$ 225.00	\$ 554.45
10003093	\$ 0.0047364	\$ 8,146.67	\$ 300.00	\$ 8,446.67
10015295	\$ 0.0232010	\$ 524.34	\$ 225.00	\$ 749.34
10016202	\$ 0.0232010	\$ 392.10	\$ 225.00	\$ 617.10
10019362	\$ 0.0047364	\$ -		\$ -
10019362	\$ 0.0047364	\$ 6,962.56	\$ 300.00	\$ 7,262.56
10111466	\$ 0.0047364	\$ 653.63	\$ 300.00	\$ 953.63
10028751	\$ 0.0047364	\$ 3,405.50	\$ 300.00	\$ 3,705.50
10104503	\$ 0.0154314	\$ 614.17	\$ 225.00	\$ 839.17
10100626	\$ 0.0047364	\$ 473.64	\$ 300.00	\$ 773.64
10013886	\$ 0.0232010	\$ 765.63	\$ 225.00	\$ 990.63
10113900	\$ 0.0104047	\$ 780.35	\$ 225.00	\$ 1,005.35

Estimated 2017/2018 Rate Peg 2.4%				
Assessment	2017/2018 Ad Valorem \$	General Rates 2017/2018	Base Amount 2017/2018	Total Gen + Base 2017/2018
10105377	0.0353451	\$ 2,120.71	\$ 300.00	\$ 2,420.71
10107241	0.0158702	\$ 679.24	\$ 225.00	\$ 904.24
10100303	0.0048374	\$ 807.84	\$ 300.00	\$ 1,107.84
10014231	0.0238606	\$ 486.76	\$ 225.00	\$ 711.76
10114304	0.0048374	\$ 14,560.50	\$ 300.00	\$ 14,860.50
10006807	0.0048374	\$ 7,110.94	\$ 300.00	\$ 7,410.94
10000297	0.0048374	\$ 1,112.60	\$ 300.00	\$ 1,412.60
10030633	0.0048374	\$ 1,523.77	\$ 300.00	\$ 1,823.77
10019750	0.0048374	\$ 2,031.70	\$ 300.00	\$ 2,331.70
10101426	0.0158702	\$ 949.04	\$ 225.00	\$ 1,174.04
10014959	0.0238606	\$ 314.96	\$ 225.00	\$ 539.96
10007979	0.0048374	\$ 14,270.26	\$ 300.00	\$ 14,570.26
10012656	0.0238606	\$ 520.16	\$ 225.00	\$ 745.16
10015048	0.0238606	\$ 338.82	\$ 225.00	\$ 563.82
10003093	0.0048374	\$ 8,320.29	\$ 300.00	\$ 8,620.29
10015295	0.0238606	\$ 539.25	\$ 225.00	\$ 764.25
10016202	0.0238606	\$ 403.24	\$ 225.00	\$ 628.24
10019362	0.0048374	\$ -		\$ -
10019362	0.0048374	\$ 7,110.94	\$ 300.00	\$ 7,410.94
10111466	0.0048374	\$ 667.56	\$ 300.00	\$ 967.56
10028751	0.0048374	\$ 3,478.07	\$ 300.00	\$ 3,778.07
10104503	0.0158702	\$ 631.63	\$ 225.00	\$ 856.63
10100626	0.0048374	\$ 483.74	\$ 300.00	\$ 783.74
10013886	0.0238606	\$ 787.40	\$ 225.00	\$ 1,012.40
10113900	0.0107005	\$ 802.54	\$ 225.00	\$ 1,027.54

## **Appendix B. Deliberative Panel PowerPoint**

# THE FUTURE OF GWYDIR LOCAL AREA SESSION 1



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# FACILITATOR

**Roberta Ryan**

Associate Professor

University of Technology, Sydney

# WELCOME

- > Some housekeeping matters...



- Privacy and confidentiality, ethics and bank detail forms 
- Incentives will be paid by EFT on Monday 

# WELCOME

## Your agreement to participate

- ✓ comply with directions given by the facilitator
- ✓ do not disclose content of discussions with anyone outside the group
- ✓ do not disclose the views of any group member
- ✓ report to a facilitator any direct or indirect communication with observers about the topic or the group discussions

## THE UTS TEAM

**Roberta Ryan**

Associate Professor

University of Technology, Sydney

**Lucinda Molloy**

University of Technology, Sydney

**Theresa Alvarez**

University of Technology, Sydney

# WHO ELSE IS HERE TODAY?

- > Councillors (observing)

**Cr John Coulton, Mayor**

**Cr Catherine Egan, Deputy Mayor**

**Cr Jim Moore**

- > Council Staff (here to answer your questions)

**Max Eastcott, General Manager**

**Leeah Daley, Deputy General Manager**

**Glen Pereira, Director, Development and Environmental Services**

**Richard Jane, Director, Technical Services**

**Suzy Webber, Social Services Manager**

- > Nancy Capel – Bingara Advocate (observing)

# AGENDA FOR TONIGHT

Time	Activity
5.00 – 5.15pm	Welcome and purpose of the discussions
5.15 – 6.30pm	Getting to know each other and setting up the process
6.30 – 7.15pm	<b>Dinner break</b>
7.15 – 7.45	Council's financial performance
7.45 – 8.00pm	Tomorrow's discussions

# AGENDA FOR TOMORROW

Time	Activity
10.00 – 10.15am	Welcome and re-cap of last night's discussion
10.15 – 10.45am	What options are available to Council?
10.45 – 11.30am	Council services and infrastructure – do we need to review these?
11.30 – 12.30pm	Prioritising services and infrastructure
12.30 – 1.30pm	<b>Lunch Break</b>
1.30 – 2.00pm	How should these services be paid for?
2.00 – 3.00pm	Rating scenarios
3.00 – 3.15pm	<b>Afternoon tea Break</b>
3.15 – 4.00pm	Individual rating burden and impacts on services
4.00 – 4.45pm	Developing recommendations
4.45 – 5.00	Presentation to Council

## WHAT IS THIS ALL ABOUT?

- > Understanding Council sustainability issues (by hearing from and cross examining experts), to reflect on it together (with the help of a professional facilitator)
- > Opportunity for Gwydir residents and business owners to understand the services provided by Council and to express their support, concerns and ideas
- > Understanding community aspirations and goals for the future
- > Assisting with planning for Council's long term sustainability – financial challenges
- > Balancing service provision with available revenue

## WHY ARE YOU HERE TODAY?

- > We have carefully selected you to represent the range of:
  - views expressed in the online survey
  - different interactions with local government
  - people who make up the community

# WHAT ARE WE ASKING YOU TO CONSIDER OVER THE TWO DAYS?

- > How Council can best balance service provision with available revenue:
  - Council's financial sustainability
  - Levels of service
  - Assets and infrastructure
  - Own source revenue - rates

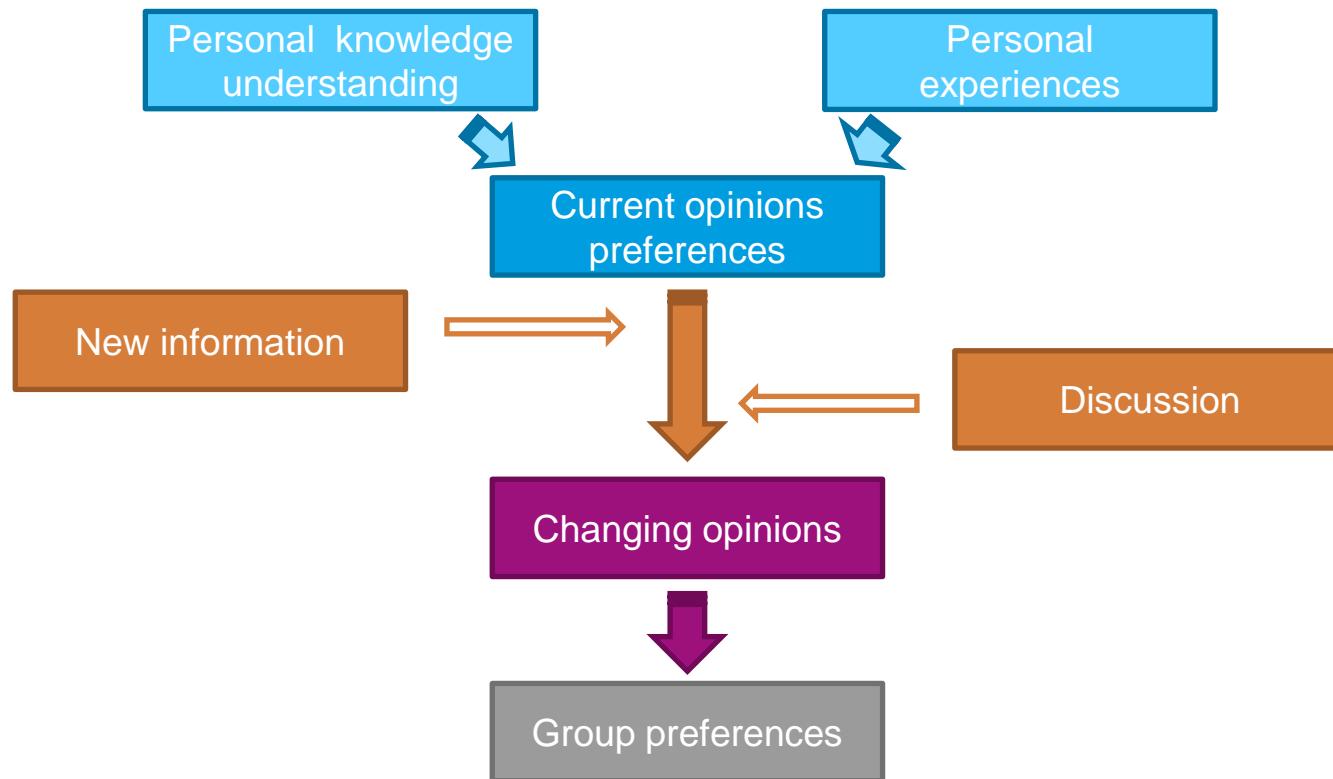
## WHY?

- > Because we need new forms of engagement to:
  - a) Think long-term
  - b) Balance different, sometimes competing interests
  - c) Make collective decisions about wicked problems
  - d) Make sure decisions are mindful of implications and based on reasoned discussion and reflection

# WHAT WILL HAPPEN WITH THE RECOMMENDATIONS?

- > Will be tested back with the wider community
- > May be used by Gwydir Shire Council to shape decisions on:
  - Long term planning
  - Service delivery
  - Asset management
  - Revenue and rates

# ONE WAY TO LOOK AT WHAT WE ARE DOING TODAY



# ANOTHER WAY TO LOOK AT IT

<b>Shift from</b>		<b>Towards</b>
Individual interest and benefit	↔	Public Interest /Collective Good
Petty arguments	↔	Thoughtful and respectful discussion
Loudest voice wins	↔	Making choices through equal and reasoned discussion
No one gaining because things don't suit particular interest	↔	Thinking about how everyone can benefit
Distrust	↔	Trust

# WHAT DO WE NEED YOU TO DO?

# WHAT DO WE NEED YOU TO DO?

Consider  
information  
presented

Based on individual  
values, needs and  
experiences

Discuss what this  
means to you and  
why

Based on shared  
values

Identify what the  
information means  
to you as a group

Explore values  
Arrive at group  
recommendations

THEN WE NEED YOU TO...

**Consider real life implications  
based on shared values**

Develop these into  
recommendations from the group



**As a group**

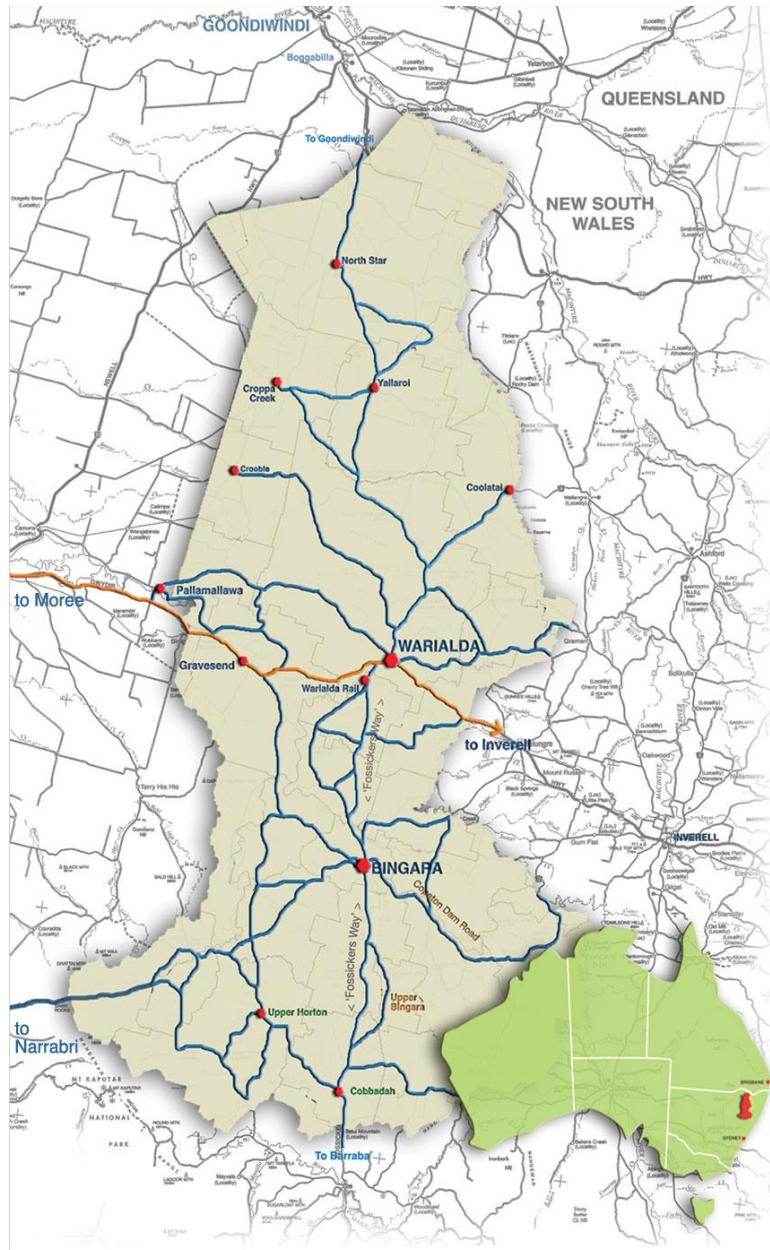
Present recommendations to  
Gwydir Shire Council for  
further testing

# BEING PART OF A TEAM AND WORKING TOGETHER

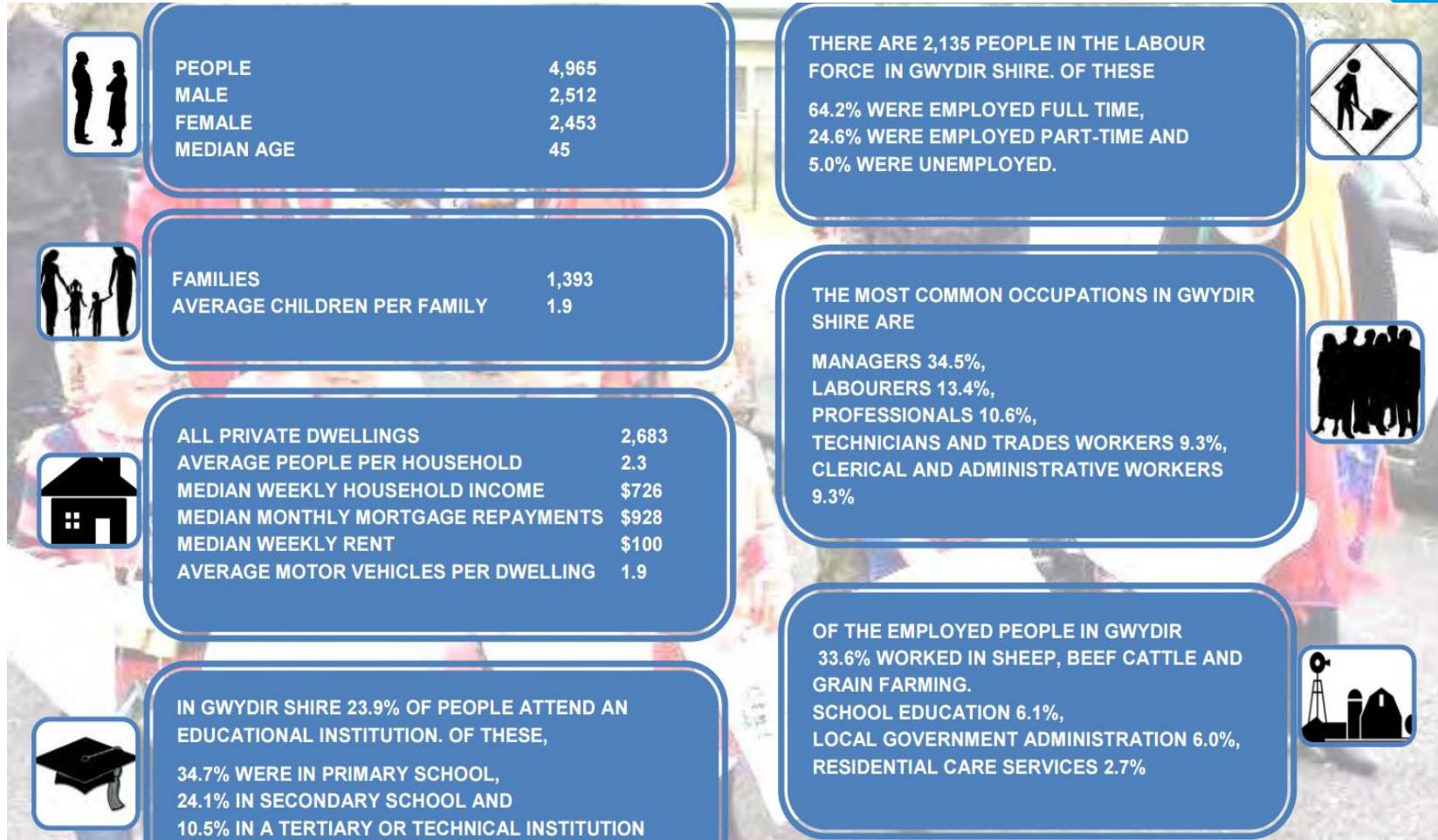


# CONTEXT

# WHAT AREA ARE WE TALKING ABOUT?



# WHO ARE THE COMMUNITY IN THIS AREA?



# THE ECONOMY

> Number of businesses in the Shire by industry

Rank	Number of Businesses by Industry – As at 30 June	2012	2013
1	Agriculture, Forestry and Fishing	442	448
2	Construction	53	47
3	Transport, postal and warehousing	39	42
4	Rental, hiring and real estate services	24	24
5	Not classified	9	19
6	Retail trade	21	17
7	Accommodation and food services	16	16
8	Other services	13	15
9	Professional scientific and technical services	12	13
10	Health care and social assistance	12	12
<hr/>			
<b>Top 10 Total</b>		641	653
<b>Total</b>		702	706

# WHAT DOES YOUR LOCAL COUNCIL DO?

Provides a variety of services and infrastructure, including...

- > Sports grounds, playgrounds, 2 modern 24/7 fitness facilities
- > 290 hectares of ovals, parks, garden, hedges, street scapes and picnic and camping areas
- > Community halls/ arts centre, libraries
- > Museums
- > Libraries
- > Swimming pools
- > Pre-schools
- > Aged care facility
- > Caravan parks
- > Showgrounds
- > Recreation reserve
- > The Roxy

# WHAT DOES YOUR LOCAL COUNCIL DO?

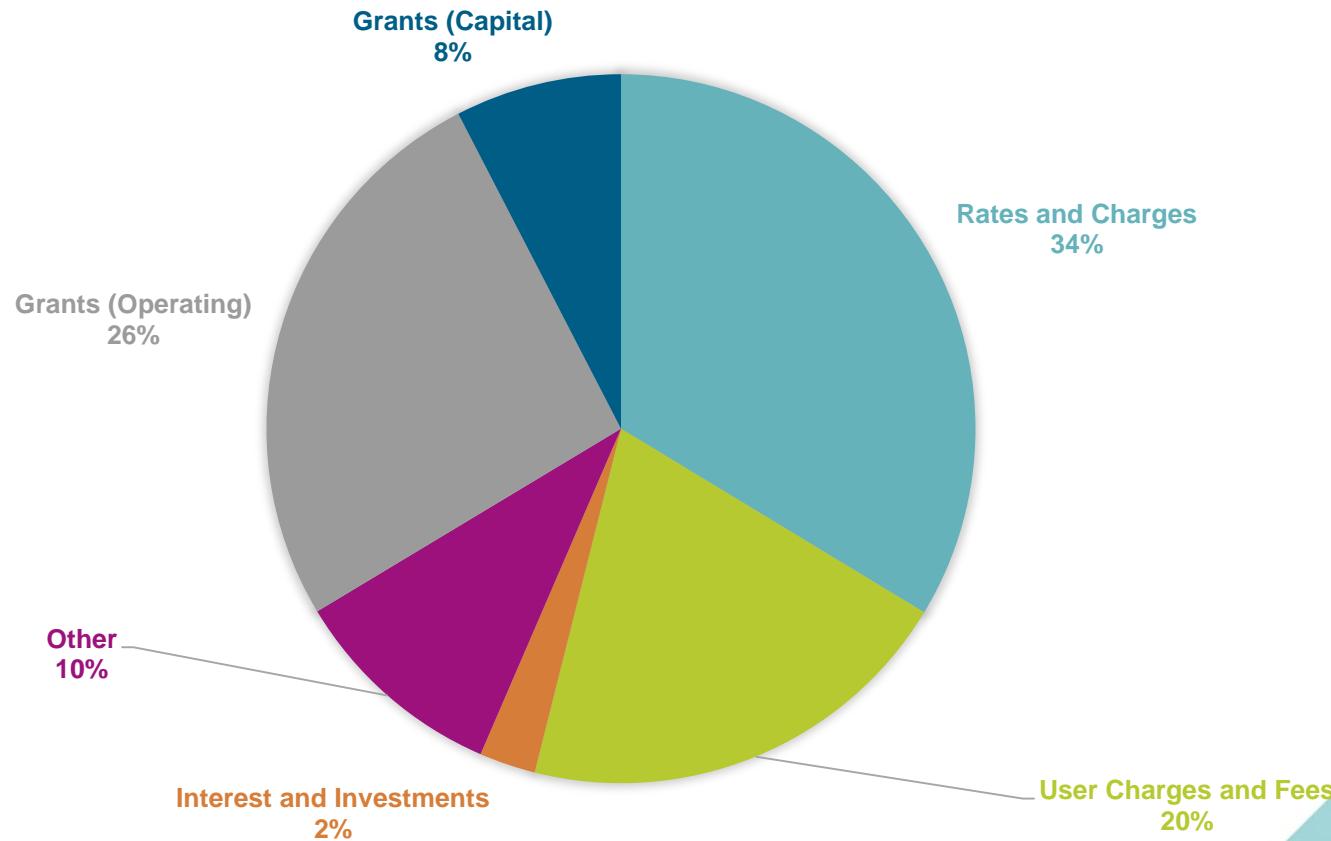
Continued...

- > Public and environmental health services
- > Services for youth, families, older people and people living with disability
- > Donations to community organisations
- > Environmental sustainability projects and invasive species management
- > Business development, events and tourism
- > Development services, land use and natural environment planning
- > Stormwater and flood management
- > Emergency management
- > Long term planning for the future

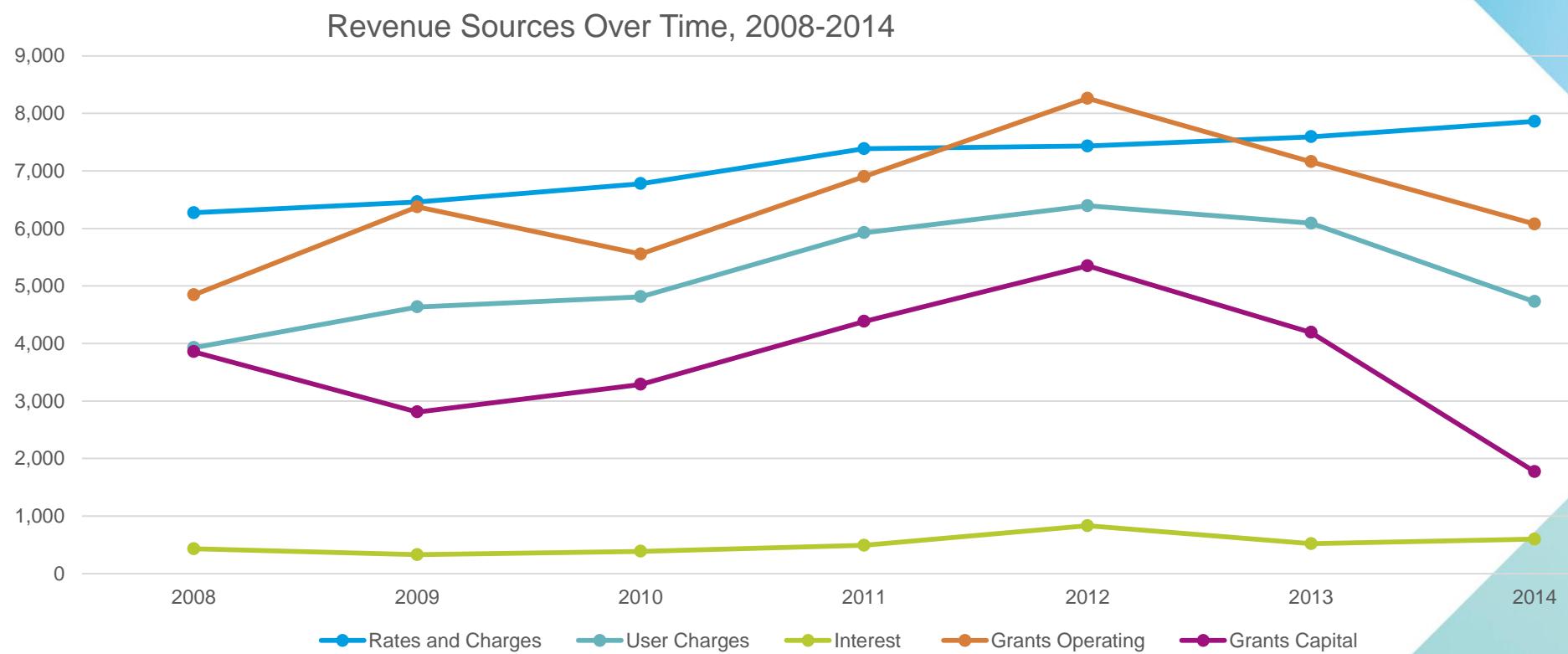
# COUNCIL'S FINANCIAL PERFORMANCE

# WHERE DOES THE BUDGET COME FROM?

REVENUE SOURCES, 2014

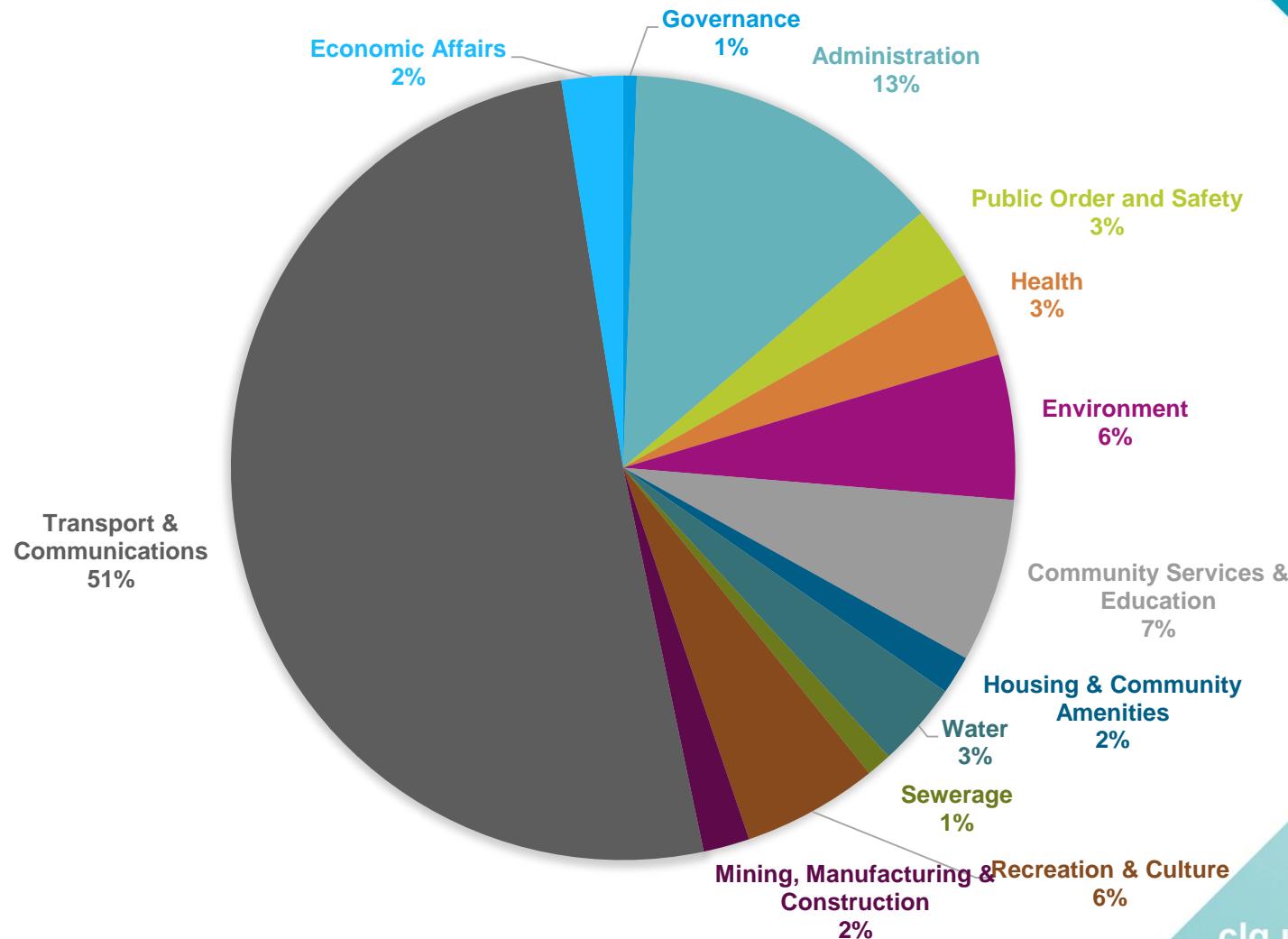


# REVENUE OVER TIME



# EXPENSES

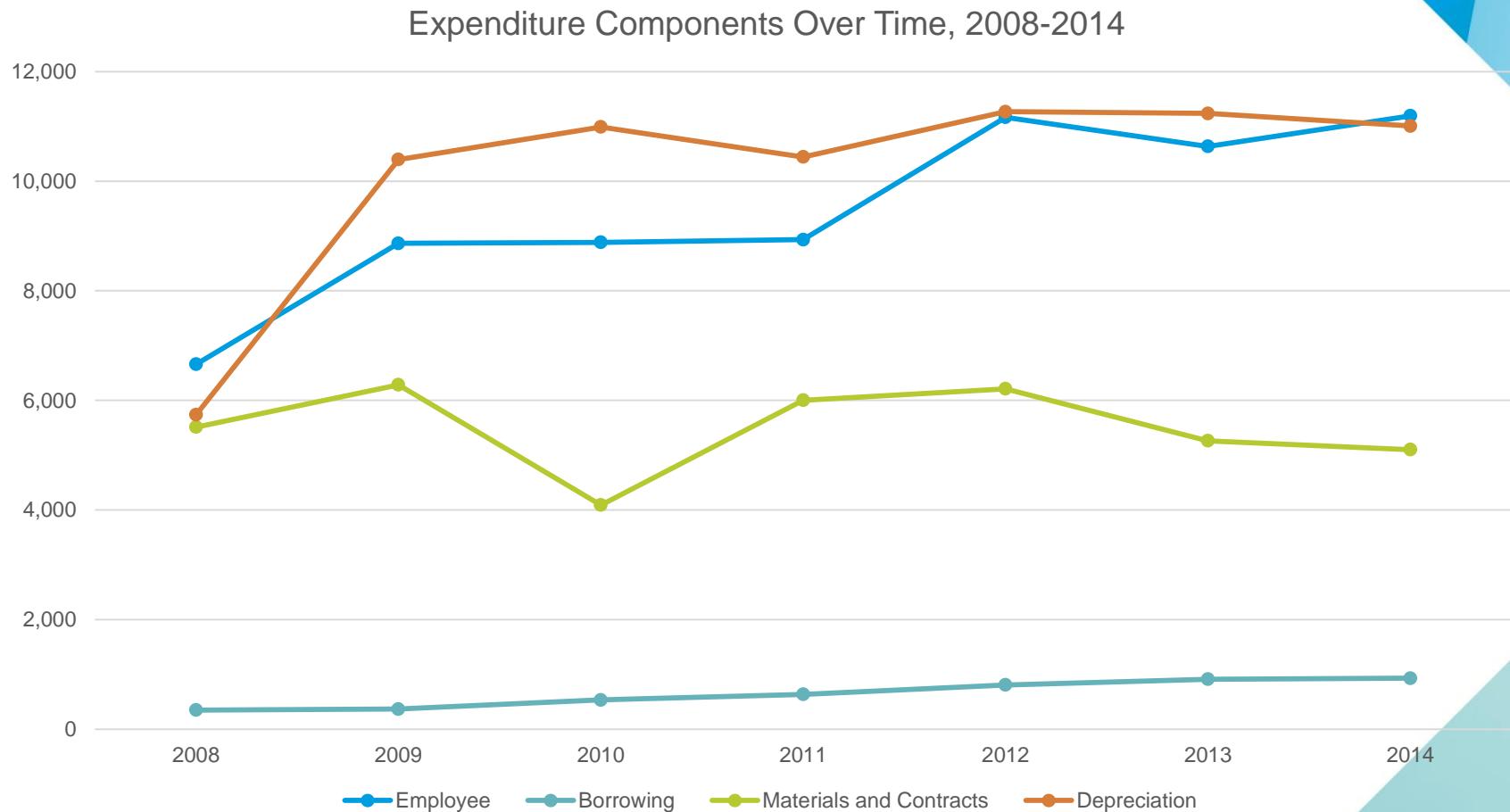
**EXPENSES, 2014**



# HOW GWYDIR EXPENSES COMPARE WITH OTHER COUNCILS

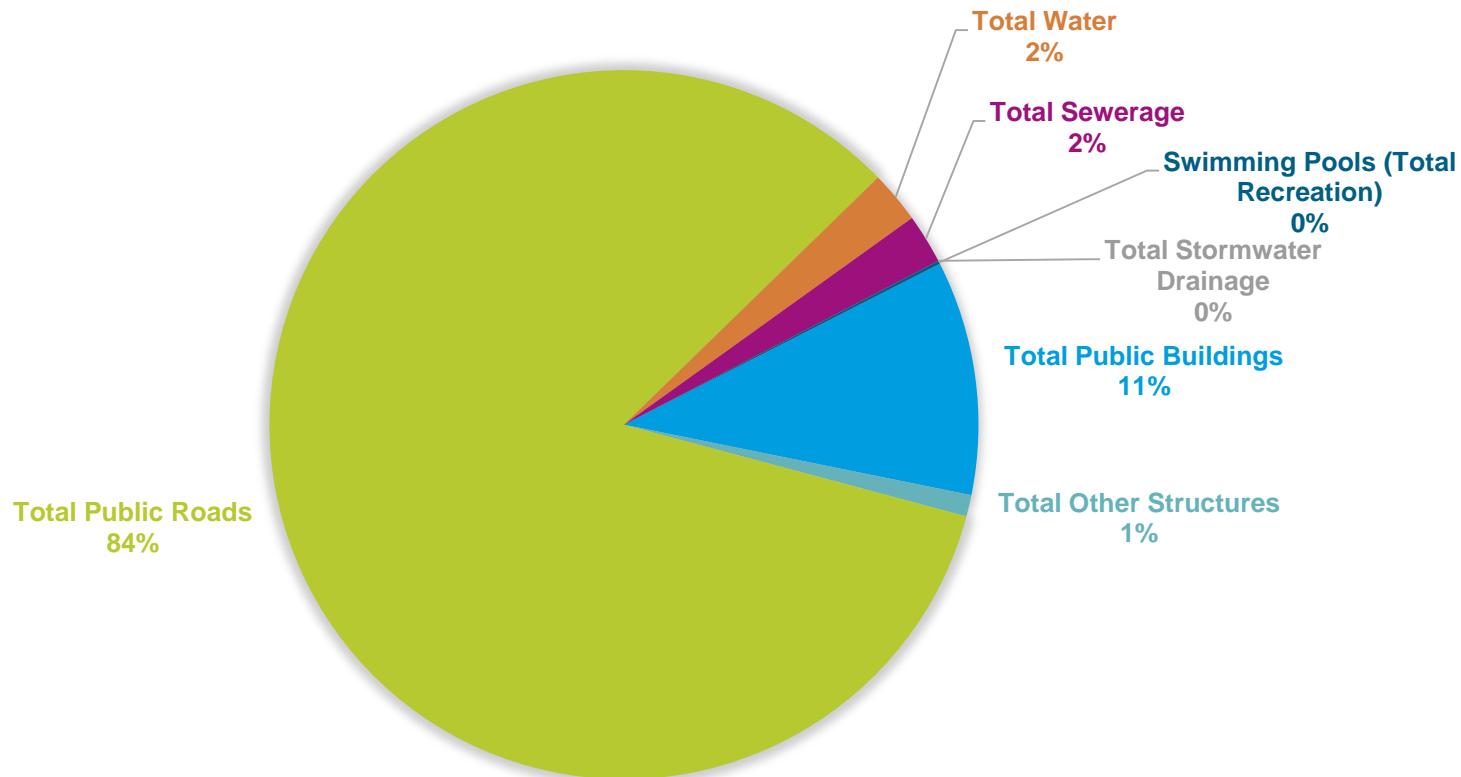
	<b>General Purpose Councils</b>	<b>Gwydir Shire</b>
<b>Governance</b>	2.1%	1%
<b>Administration</b>	11.7%	13%
<b>Public Order</b>	3.1%	3%
<b>Health</b>	1.0%	3%
<b>Environment</b>	8.3%	6%
<b>Community &amp; Education</b>	5.0%	7%
<b>Housing &amp; Amenities</b>	3.6%	2%
<b>Recreation &amp; Culture</b>	9.7%	6%
<b>Mining Manufacturing</b>		
<b>Construction</b>	1.5%	2%
<b>Transport &amp; Communications</b>	32.6%	51%
<b>Economic Affairs</b>	5.4%	2%

# EXPENSES OVER TIME

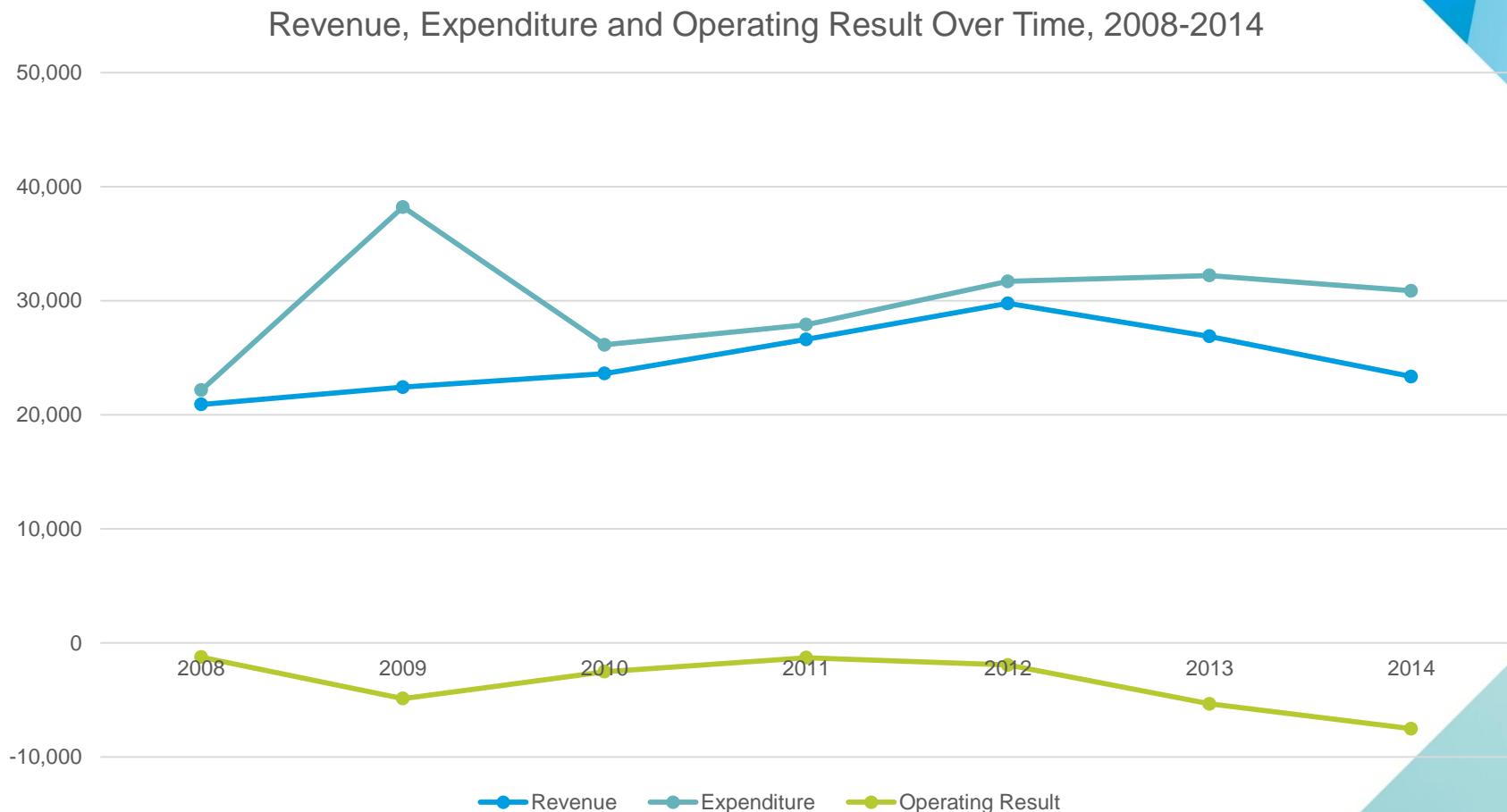


# DEPRECIATION AND MAINTENANCE COSTS

REQUIRED ANNUAL MAINTENANCE, 2014

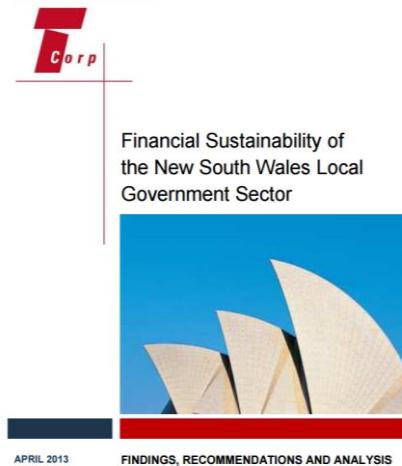


# COSTS RISING FASTER THAN REVENUE



# INDEPENDENT REVIEWS ON LOCAL GOVERNMENT SUSTAINABILITY

- > 2013 NSW Treasury Corporation Financial Sustainability of the New South Wales Local Government Sector – Gwydir Shire Council received a *Very Weak* rating and outlook *neutral*
- > Independent Pricing and Regulatory Tribunal (IPART) assessed how Council's proposals meet Fit for the Future requirements – Gwydir Shire Council was determined *Not Fit*



## WHAT IS THE PROBLEM?

- > Operating results have trended downwards since 2011
- > Operating deficits over the last seven financial years threaten the sustainability of Council
- > The major problem is that revenues have decreased significantly in recent years
- > Council has made efforts to restrain expenditure in an inflationary environment
- > For the Council to be sustainable into the future, its operating revenues must cover operating costs, including the funding required to maintain and renew built assets
- > Ideally the Council's Operating Result should be in surplus

# THE FUTURE OF GWYDIR LOCAL AREA SESSION 2



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# AGENDA FOR TODAY

Time	Activity
10.00 – 10.15am	Welcome and re-cap of last night's discussion
10.15 – 10.45am	What options are available to Council?
10.45 – 11.30am	Council services and infrastructure
11.30 – 12.30pm	Prioritising services and infrastructure
12.30 – 1.30pm	<b>Lunch Break</b>
1.30 – 2.00pm	How should these services be paid for?
2.00 – 3.00pm	Rating scenarios
3.00 – 3.15pm	<b>Afternoon tea Break</b>
3.15 – 4.00pm	Individual rating burden and impacts on services
4.00 – 4.45pm	Developing recommendations
4.45 – 5.00	Feedback

## SUMMARY OF SESSION 1

- > Council provides a wide variety of services and infrastructure to the community
- > Council's financial operating results have trended downwards since 2011 and the sustainability of Council is at threat
- > The major problem is that revenue (money coming in) has decreased significantly in recent years, whilst costs have increased
- > For the Council to be sustainable into the future, its operating revenues must cover operating costs, including the funding required to maintain and renew built assets

## WHAT OPTIONS ARE AVAILABLE?

- > There are several initiatives that the Councillors of Gwydir have approved recently to start down the path of improved budget results, including:
  - Review and adjust service levels in consultation with the community
  - Increase income - Special Rate Variation application
  - Generate income
  - Alignment of renewals and/or cash reserves and depreciation
  - Manage borrowings responsibly

## PRE-DISCUSSION QUESTIONS

- > What do you value most about living here?
- > What are the 3 most important things Council does?
- > What are 3 things Council could do less of?
- > Do you support an increase in rates?
  - Yes
  - No
  - Maybe

# QUESTION 1: WHAT DO YOU VALUE

Freedom communities  
connection participation  
wonderful programs

Council environment  
secure space  
friendship support engage Low range  
facilities great priority clost safe Beautiful rich  
priority clost safe Beautiful rich  
security wide raise  
open community small close amount  
area activities strong peace spaces

place high medical matters  
friends Crime

quiet peaceful style  
vocational schools education  
opportunity live  
rural family rate/saftey  
Safety people clean

Country Sense  
environement

Lifestyle

## QUESTION 2: TOP 3 MOST IMPORTANT THINGS COUNCIL DOES

- > 1: Road Maintenance (14 counts)
  - Other top 1 choices: Tourism promotion (1 count); Education (1 count); Employment (1 Count); Supporting local clubs (1 count)
- > 2: Health and social services (9 counts)
  - Other 2<sup>nd</sup> choices: waste management (4 counts); Parks and Gardens (2 counts)
- > 3: Employment (3 counts) & Supporting industry (3 counts)
  - Others 3<sup>rd</sup> choice: Education (2 counts); Environmental services (weeds etc: 2 counts); Roads (1 count); Childcare (1 count); Council services (1 count); Tourism promotion (1 count)

## QUESTION 3: TOP 3 THINGS COUNCIL CAN DO LESS OF

- > 1: Corporate services (council employee costs): 4 counts
  - Other: Charging rates; Maintenance of streetscape; reduce red tape,; reduce asset buildings; being reactive; public halls and community centres; social services; road maintenance; maintenance of town verges
- > 2: Corporate services (council employee costs): 2 counts
  - Other: Maintaining parks/streets; Event coordination; Libraries; Social services; Health services; Poor cost control;
- > 3: Corporate costs (council employee costs) 2 counts
  - Other: Pools; Council services; maintenance of public space; bureaucracy; lack of real vision
  - Amount of blank responses: 5 people left this blank; 9 people only provided 1 thing council can do less of; 7 people provided 3 responses

## QUESTION 4: INCREASING RATES

- > Yes: 10 Counts
- > No: 3 Counts
- > Maybe: 5 Counts
  
- > Yes, conditionally: 4 Counts

# LIST OF AREAS WHERE WE MIGHT MAKE COST SAVINGS

- > Public halls (3 counts) – \$330,887
- > Roxy (3 counts) - \$233,946
- > Pools (2 counts) – \$283,133
- > Caravan Park (2 counts) – \$54,207
- > Community Centres (2 counts) – \$265,596
- > Museums – \$48,100
- > Tourism – \$179,085
- > Gwydir Learning Region – \$291,832
- > Showground Facilities – \$172,584
- > Bingara Pre-School – \$30,073
- > Toy Libraries – \$29,250

# LIST OF AREAS WHERE WE MIGHT MAKE COST SAVINGS

- > Parks and Gardens - \$359,540
- > Sports Grounds – \$106,608
- > Town Street Improvements - \$272,279
- > Vacation Care – \$4,003
- > Public Amenities – \$115,108
- > Kerbs and Gutter – \$79,365
- > Roads –
  - Unsealed Local Roads - \$3,085,790
  - Sealed Local Roads - \$1,967,065
  - Urban Roads - \$507,162
- > Street Lighting - \$83,592
- > Wilby Street Residence?

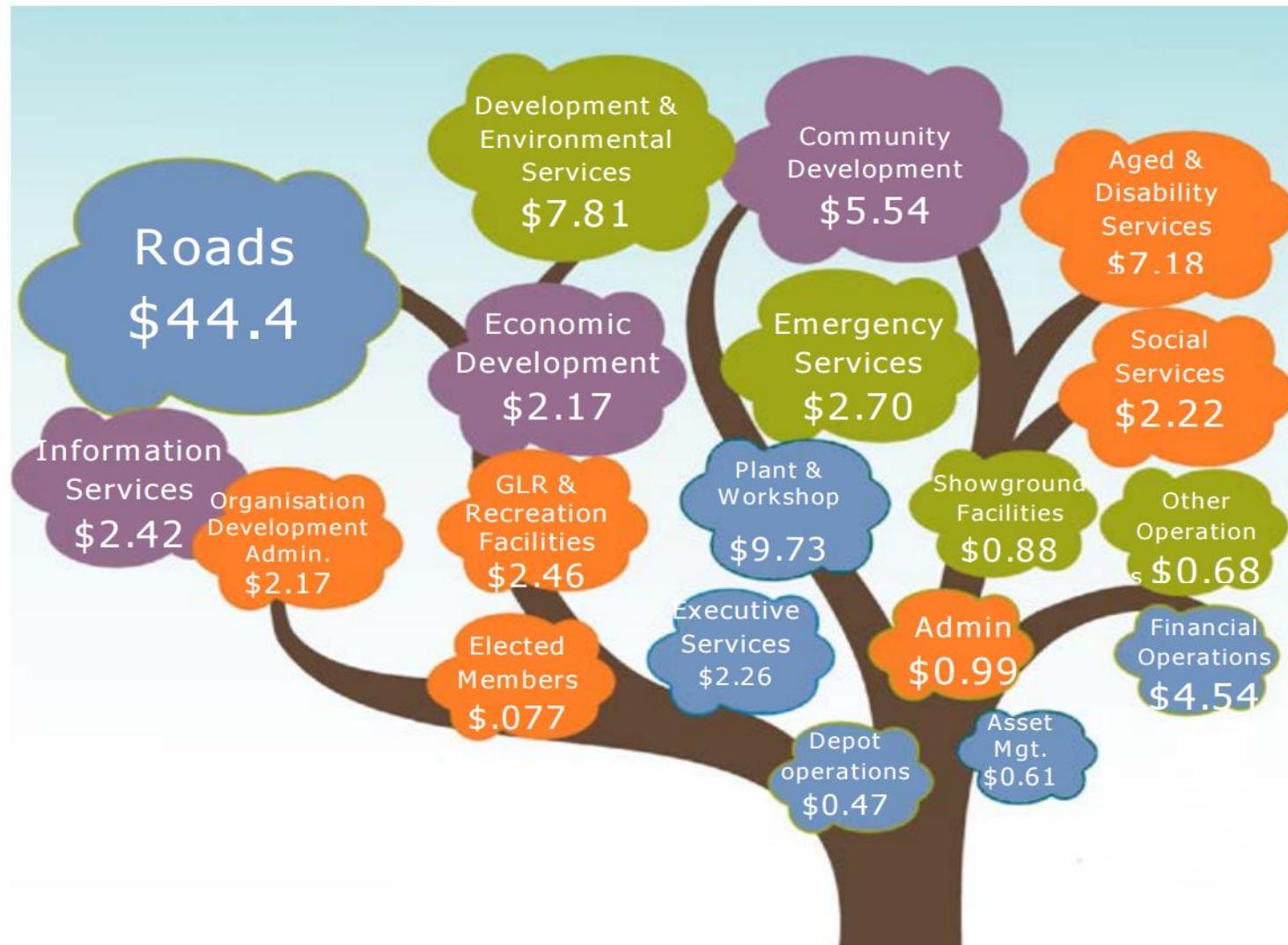
# WHAT OPTIONS ARE AVAILABLE TO COUNCIL?



- > There are several initiatives that the Councillors of Gwydir have approved recently to start down the path of improved budget results, including:
  - Review and adjust service levels in consultation with the community
  - Increase income - Special Rate Variation application
  - Alignment of renewals and/or cash reserves and depreciation
  - Manage borrowings responsibly

## REVIEW AND ADJUST SERVICE LEVELS IN CONSULTATION WITH THE COMMUNITY

# WHAT DOES COUNCIL SPEND MONEY ON?



# WE NEED TO BALANCE LEVELS OF SERVICE WITH AFFORDABLE COSTS

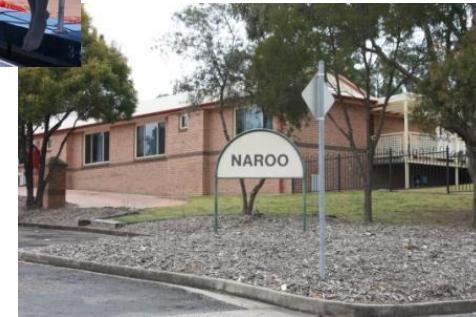
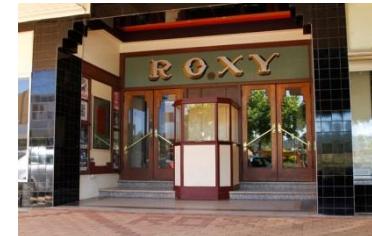


## SERVICE REVIEWS: WHY DO THEM?

- > Better alignment of services with community needs and a more engaged community
- > Higher quality service provision
- > Cost savings and sometimes income generation
- > Increased efficiency in the use of often limited resources
- > Identification of opportunities for partnerships and networks with other local governments, community and service providers
- > A more systemic approach to understanding future community needs

# COUNCIL HAS OVER 80 INDIVIDUAL BUSINESS UNITS

- > Environmental Services
- > Planning and Building
- > Social and Disability Services
- > Technical Services – Roads, footpaths etc
- > Finance Services



A full list of sub-services within each of these units are available for you to review. This will help inform the following activities!

# LIST OF SERVICES – DETAILS AVAILABLE

- > Community Centres - \$265,596
- > Public Halls - \$330,887
- > Museums - \$48,100
- > Public Amenities – \$115,108
- > Community Fitness - \$39,096
- > Pools - \$283,133
- > Medical Centres - \$34,255
- > Parks and Gardens - \$359,540
- > Sportsgrounds – \$106,608
- > Town Street improvements - \$272,279
- > Executive Services (Donations Component)
- > Showground facilities - \$172,584
- > Bingara Pre-school - \$30,073

## LISTS OF SERVICES CONT...

- > Toy Libraries - \$29,250
- > Vacation Care - \$4,003
- > Youth Services - \$5,783
- > Other Social Services - \$18,182
- > Business and Economic Development - \$207,553
- > Caravan Parks - \$54,207
- > Cranky Rock Recreational Reserve - \$22,029
- > Events Co-ordination - \$38,849
- > External Contracted Services - \$41,221
- > Libraries - \$191,128
- > Roxy - \$233,946

## LIST OF SERVICES CONT...

- > Tourism - \$179,085
- > Gwydir Learning Region - \$291,832
- > Naroo - \$194,839
- > Unsealed Local Roads - \$3,085,790
- > Sealed Local Roads - \$1,967,065
- > Urban Roads - \$507,162
- > Footpaths - \$55,947
- > Kerb and Gutter - \$79,365
- > Stormwater Drainage - \$149,454
- > Car Parks - \$30,190
- > Other Operations - \$125,326
- > Street Lighting - \$83,592

# QUESTIONS TO THINK ABOUT AND DISCUSS

- > Is Council required to deliver the service and does it need to be delivered by Council?
- > How does the community view this service? Does the category allocation reflect these views?
- > Does the service category allocation contribute to achieving our overall objectives (i.e. ensuring council's services are aligned with priorities / improving quality of services)?

## SOME KEY OPPORTUNITY AREAS...

- > Medical centres
  - Can we sell the two medical centres with a commercial tenant in place?
- > Pools
  - Do we need 2 pools 41kms apart?
  - How could we cater for a community that loses its pool?
- > Parks and Gardens
  - Is the current standard of service adequate or excessive?
  - Could the user groups take more ownership of maintenance?

## SOME KEY OPPORTUNITY AREAS...

- > Roxy
  - Does anyone have any suggestions that could enhance the income for the Roxy?
  - How important are the activities that occur at the Roxy for the community?
  
- > Town Street Improvement
  - Is it important that the shopping centres are always maintained at the same current service level?
  - Should we have more shade trees in the shopping centres?

## SOME KEY OPPORTUNITY AREAS...

- > Caravan Parks
  - Should different management options be explored?
- > Naroo Aged Care
  - Should different management options or sale be explored?

## SOME KEY OPPORTUNITY AREAS

- > Council Donations
  - Is the current level of donations acceptable?
- > Business and Economic Development
- > Tourism

# TRANSPORT SERVICE NETWORK

- > 146.69 km Sealed State Roads
- > 260.84 km Sealed Regional Roads
- > 212.23 km Sealed Arterial Shire Roads
- > 140.27 km Unsealed Arterial Shire Roads
- > 34.54 km Sealed Collector Shire Roads
- > 293.84 km Unsealed Collector Shire Roads
- > 64.0 km Sealed Local Shire Roads
- > 735.26 km Unsealed Local Shire Roads
- > 23.81 km Sealed Minor Shire Roads
- > 533.78 km Unsealed Minor Shire Roads
- > 71.51 km urban roads

## ACTIVITY



- > Using activity sheets, what do you think are the most important services and infrastructure that Gwydir Shire Council provides?

**Based on which services were the most important services to you and the community...**

- Prioritise the list of services that are up for discussion

# GROUPS

<b>Group 1</b>	<b>Group 2</b>	<b>Group 3</b>	<b>Group 4</b>
Sally	Leanne	Brianna	Tina
Peter	Bob	Ran	Elise
Matt	Samantha H.	Lesley/Noelene	Ted
Rebekka	Chrissy	Alexis	Samantha M.
Hayley	Clint	Susanne	Patricia
		Steve	Rick

# AFTERNOON SESSION

# INCREASE INCOME THROUGH A SPECIAL RATE VARIATION

# CONTEXT: SPECIAL RATE VARIATION

- > Special Rate Variation Application to IPART for:
  - > 15% (inclusive of the 2.4% rate pegging allowance) for the 2015/2016 year and a further 15% Special Rate Variation (inclusive of rate pegging) for 2016/2017 year with a cumulative effect of 32.25%.
- > Drivers
  - Struggling to maintain service levels along with own source revenue obligations for Road to Recovery (Federal Government road funding initiative with strict compliance rules)
  - General Fund cash reserves run down to a level where significant expenditure cuts were required
  - Difficulties in maintaining existing services and expectations from the community
  - Additional external pressures are also growing to improve Council's sustainability, for example the IP&R and Fit for the Future initiatives of the State Government

# WHAT THE COMMUNITY SAID ABOUT THE SRV

What the community said...

Activity	Findings
<b>Focus Groups (17 in total)</b>	<p>General understanding of the need for Council to increase rates</p> <p>Women believed that the SRV application and rates increase needed to be thoroughly communicated with the community and while the increase was understood to be necessary, participants felt that it will be difficult for those affected by the drought to adjust</p>
<b>Gwydir Community Survey (790 respondents)</b>	<p>Little support from respondents on rate increases (55% of respondents did not support any rate increase; 4% supported the proposed increase in the IPART Application submission)</p> <p>Warialda residents were not supportive of any rate increase beyond the allowable rate pegging interest (51%) with only 2% in favour of the proposed increase of 15% per year</p> <p>Bingara residents were not supportive of any rate increase beyond the allowable rate pegging interest (53%) with 7% in favour of the proposed increase of 15% per year</p> <p>Farmland residents were not supportive of any rate increase (63%) with only 3% in favour of the proposed 15% increase per year</p>

## SPECIAL RATE VARIATION

- > Partially approved - one increase of 15% was allowed, instead of the two consecutive 15% increases the council requested (this amount includes the 2.4% rate peg)
- > IPART determination report considered that:

*“Council has not made the community sufficiently aware of the planned impact on rates in 2015-16... and did not communicate the proposed annual (dollar or percentage) increases to various categories of ratepayers during its engagement process, held between November 2014 and January 2015. This is important as the council’s proposed rating restructure in 2015-16 would significantly heighten the impact to residential and business ratepayers...”*

(IPART Determination Report Gwydir SRV)

# 16/17 BUDGET SCENARIOS EXPLAINED

- > Scenario 1 – Retention of the temporary 15% rate raise granted for the current rating year as well as an additional permanent 15% raise for the 2016/17 rating year
- > Scenario 2 – Business as usual
- > What do each of these scenarios mean for service levels?
- > What do each of these scenarios mean for your rates?

# INDIVIDUAL RATING IMPACT SCENARIOS

- > Discussion



## DEVELOPING RECOMMENDATIONS...

# FINAL QUESTIONS

- > 1. Do you support a rate rise?
  - Yes or No
  - If yes, under what conditions?
- > 2. What are the three areas Council should focus on for saving money – please rank in order of importance 1 – 3
- > 3. Ideas and options for income and revenue generation that Council can explore?

## NEXT STEPS

- > Recommendations will be tested back with the wider community
- > May be used by Gwydir Shire Council to shape decisions on:
  - Long term planning
  - Service delivery
  - Asset management
  - Revenue and rates

**THANK YOU FOR YOUR TIME AND INPUT!!**

## **Appendix C. Post Deliberative Panel Community Survey**

The Future of Gwydir Survey

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Survey short title: Gwydir Deliberative Panel

Feedback

Survey long title: The Future of Gwydir Survey

Question number: 10

**Survey is closed.**

Active from: 25.01.2016

Active until: 25.04.2016

Author: jillian rose

Edited: jillian rose

Date: 19.01.2016

Date: 05.02.2016

Description:

**Q1 - 2. SURVEY QUESTIONS**

**Agreement to participate** Before commencing this survey, you need to read and consent to your participation as outlined in the Terms of Participation below. This survey is expected to take approximately 15 minutes.

**Terms of Participation:** I agree to participate in the Future of Gwydir Local Area: Feedback Survey being conducted by the University of Technology, Sydney (UTS) and endorsed by Gwydir Shire Council.

- . I am aware that I can contact UTS if I have any issues I wish to discuss about the survey.
- . I understand that I am free to withdraw my participation from this survey at any time I wish without giving a reason.
- . I agree that any questions I have before completing this survey have been answered by UTS clearly and in full.
- . I agree that the data gathered from this survey may be published in a form that does not identify me in any way

Please Note: Studies undertaken by the UTS: Centre of for Local Government have been granted program approval by the UTS, Human Research Ethics Committee. If you have any complaints or reservations about any aspect of your participation in this research you may contact the UTS Ethics Committee through the Research Ethics Officer. Any complaint you make will be treated in confidence and investigated fully and you will be informed of the outcome.

**Q2 - To confirm your agreement with the Terms of Participation, please enter today's date in the box below**

**Q3 - Below is a list of different things that your Council does. How important is it to you that Gwydir Shire Council does each of these things?**

	Not at all important	Slightly important	Moderately important	Very important	Extremely important
Water, sewage, stormwater, drainage	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Roads and bridges	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Carparks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Parks and gardens	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Footpaths	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Donations to community organisations	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Community Fitness Centres	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Street Lighting	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Pre-Schools	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Vacation Care	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Aged Care - Naroo	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Medical Centres	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Pools	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Libraries	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Cranky Rock Recreational Reserve	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sportsground facilities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Events Coordination	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tourism	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Toy Library	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Improvement of Bingara and Warialda Streets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	Not at all important	Slightly important	Moderately important	Very important	Extremely important
Gwydir Learning Region – education initiative	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The Roxy	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Public halls	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Community centres	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Business and economic development	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Youth services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Caravan parks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Museums	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Public toilets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**Q4 - Thinking about the role of government in the provision of services to the community, please indicate your level of agreement or disagreement with the following statements.**

	Strongly agree	Moderately agree	Slightly agree	Slightly disagree	Moderately disagree	Strongly disagree
I want government to involve me in making decisions about what services are delivered in my local area	<input type="radio"/>	<input type="radio"/>				
Governments and communities should make decisions together about how services are delivered	<input type="radio"/>	<input type="radio"/>				
Government should only provide services where the private sector doesn't	<input type="radio"/>	<input type="radio"/>				
Governments should to work with the community and other service providers to provide local services	<input type="radio"/>	<input type="radio"/>				
I value highly the range of services delivered by my local council	<input type="radio"/>	<input type="radio"/>				
There is a role for government in providing any of the services the community needs	<input type="radio"/>	<input type="radio"/>				
My rates should only pay for basic services	<input type="radio"/>	<input type="radio"/>				
I am prepared to pay	<input type="radio"/>	<input type="radio"/>				

	Strongly agree	Moderately agree	Slightly agree	Slightly disagree	Moderately disagree	Strongly disagree
more rates to get a broader range of public services	<input type="radio"/>					
The people who work in government have enough knowledge to decide what services are needed in my area	<input type="radio"/>					

**Q5 - In light of Council's financial sustainability challenges, what do you see as the top 5 areas for potential cost savings at Council? (move your top five areas from the left hand side to the right hand side, with 1 having the most potential)**

Water, sewage, stormwater, drainage	<input type="checkbox"/>
Roads and bridges	<input type="checkbox"/>
Carparks	<input type="checkbox"/>
Parks and gardens	<input type="checkbox"/>
Footpaths	<input type="checkbox"/>
Donations to community organisations	<input type="checkbox"/>
Community	<input type="checkbox"/>
Fitness Centres	<input type="checkbox"/>
Street Lighting	<input type="checkbox"/>
Pre-Schools	<input type="checkbox"/>
Vacation Care	<input type="checkbox"/>
Aged Care - Naroo	<input type="checkbox"/>
Medical Centres	<input type="checkbox"/>
Pools	<input type="checkbox"/>
Libraries	<input type="checkbox"/>
Cranky Rock Recreational Reserve	<input type="checkbox"/>
Sportsground facilities	<input type="checkbox"/>
Events	<input type="checkbox"/>
Coordination	<input type="checkbox"/>

Tourism	
Toy Library	
Bingara/ Warialda	
Street improvement	
Gwydir	
Learning Region – education initiative	
The Roxy	
Public halls	
Community centres	
Business and economic development	
Youth services	
Caravan parks	
Museums	
Public toilets	
Other	

**IF (1) Q5bd**

**Q10 - You have selected 'other' above, please specify cost saving opportunity below**

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**Q11 - This current rating year is the first time in 39 years that Gwydir Shire has had any increase beyond the allowable rate pegging limit. Over these past years the allowable rate pegging limits rarely compensated for the annual cost increases imposed upon the Council. Next year 2016/17, the rate pegging limit has been set at 1.8%, which only equates to an additional \$106,420 if the 15% increase obtained this year is not made a permanent increase. This year Council is applying to the Independent Pricing and Regulatory Tribunal (IPART) for a Special Rate Variation. This is for the retention of the temporary 15% rate raise granted for the current rating year, as well as an additional permanent 15% raise (totaling 30%) for the 2016/17 rating year and thereafter. The table below outlines the impact on each rating category in different scenarios.**

Category	Average Rate 2014/15	Average Rate 2015/16 with temporary 15% increase	Average Rate 2016/17 with permanent 30% increase	% Increase between average 2015/16 rates and proposed 2016/17	% Increase between average 2014/15 rates and proposed 2016/17	\$ Increase between average 2015/16 rates and proposed 2016/17	\$ Increase between average 2014/15 rates and proposed 2016/17
<b>Residential</b>							
Residential - Rural	\$481	\$710	\$793	17.26%	64.86%	\$229	\$312
Residential - Village	\$251	\$370	\$430	23.90%	71.31%	\$119	\$179
Residential	\$299	\$425	\$500	25.08%	67.22%	\$126	\$201
Residential - Bingara	\$550	\$738	\$870	24.00%	58.18%	\$188	\$320
Residential - Warialda	\$425	\$595	\$696	23.76%	63.76%	\$170	\$271
<b>Business</b>							
Business	\$470	\$1,024	\$1,134	23.40%	141.28%	\$554	\$664
Business - Bingara	\$789	\$1,517	\$1,890	47.28%	139.54%	\$728	\$1,101
Business - Wariala	\$547	\$1,070	\$1,327	46.98%	142.60%	\$523	\$780
<b>Farmland</b>							
Farmland - Intensive	\$75,201	\$79,928	\$26,245	-71.39%	-65.10%	\$4,727	-\$48,956
Farmland	\$4,196	\$4,582	\$5,537	22.76%	31.96%	\$386	\$1,341

The impact on your individual rates for the 2016/17 rating year, if the Special Rate Variation is approved, can be determined by calling 02 6724 2000 during business hours noting that the office, due to budget savings, is closed from 12.30 pm to 1.30 pm. Without the additional rating income being sought, the Council will need to trim an additional \$1,500,000 from its operational budget. These cuts will be required from an already trimmed budget.

**Q12 - Do you support retention of the temporary 15% rate raise granted for the current rating year as well as an additional permanent 15% raise for the 2016/17 rating year and thereafter?**

- Yes
- Yes, with conditions (please list)
- No
- Maybe

**Q13 - Which best describes your current situation?**

- I/ my household pays business rates
- I/ my household pays residential rates
- I/ my household pays farm rates
- I do not pay rates
- I do not know if I pay rates

**Q14 - What is the name of the town/suburb in which you live?**



# **UTS:CLG**

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