

BUSINESS PAPER

for

**COUNCIL
MEETING**

03/05

**6.30 PM, TUESDAY,
19 APRIL, 2005**

Volume 2 of 2

MARRICKVILLE COUNCIL

Administrative Centre
PETERSHAM

13 April, 2005

Dear Councillors

Notice is given of the **COUNCIL MEETING**, to be held in the COUNCIL CHAMBERS AT THE ADMINISTRATIVE CENTRE, PETERSHAM, on TUESDAY, 19 April, 2005, commencing at 6.30pm.

Yours faithfully



Candy Nay
General Manager

COUNCILLORS

Chairperson	Councillor Morris Hanna OAM (<i>Mayor</i>)	South Ward	Ph: 9569-1447 Fax: 9550-0636
Deputy Chairperson	Councillor Sam Byrne (<i>Deputy Mayor</i>)	West Ward	Ph: 9560-5755 Fax: 9560-5766
	Councillor Sam Iskandar	Central Ward	Ph: 9558-7777 Fax: 9554-7841
	Councillor Saeed Khan	Central Ward	Ph: 9569-8634 Fax: 9569-8746
	Councillor Victor Macri	Central Ward	Ph: 9569-2865 Fax: 9569-8750
	Councillor Fiona Byrne	North Ward	Ph: 9519 1110 Fax: 9550-6878
	Councillor Barry Cotter	North Ward	Ph: 9550-4601 Fax: 9590-9539
	Councillor Colin Hesse	North Ward	Ph: 0401 719124 Fax: 9559-8921
	Councillor Peter Olive	South Ward	Ph: 0401 719148 Fax: 9559-6098
	Councillor Rae Owen	South Ward	Ph: 9559-5350 Fax: 9554-7842
	Councillor Penny Sharpe	West Ward	Ph: 0401 719141 Fax: 9550-6830
	Councillor Dimitrios Thanos	West Ward	Ph: 9569-0199 Fax: 9550-0849

COUNCIL MEETING

The Council meeting is chaired by His Worship the Mayor, Councillor Morris Hanna OAM. The names of the Councillors and their contact details are listed on the previous page. Councillors are entitled to one vote on a matter. If votes are equal, the Chairperson has a second or casting vote. When a majority of Councillors vote in favour of a Motion it becomes a decision of the Council.

THE MEETING

The Meeting is conducted in accordance with Council's Code of Meeting Practice. The order of business is listed in the Agenda. That order will be followed unless a request has been made by a member of the community to address the Council on an item on the Agenda. If a request has been made, the Chairperson will ask the Council whether it wishes to bring that item forward. If Council resolves to bring more than one item forward the items will be considered in the order they are listed on the Agenda, unless the Council decides otherwise. The procedures for addressing the Council are contained on the following pages, under the heading "Meeting Procedures - Public Forum".

Some items are *CONFIDENTIAL* in accordance with S10(2) of the Local Government Act. This will be clearly stated in the Business Paper. These items are not discussed in open Council and observers will be asked to leave the Council Chambers when they are discussed.

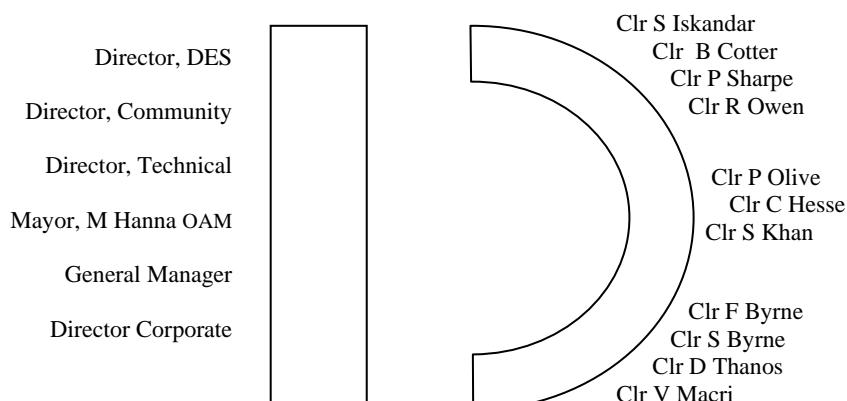
Items are *CONFIDENTIAL* if any of the following apply:

- (a) personnel matters concerning particular individuals;
- (b) the personal hardship of any resident or ratepayer;
- (c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business;
- (d) commercial information of a confidential nature that would, if disclosed:
 - (i) prejudice the commercial position of the person who supplied it, and on balance, would be contrary to the public interest; or
 - (ii) confer a commercial advantage on a competitor of the council, and on balance, would be contrary to the public interest; or
 - (iii) reveal a trade secret,
- (e) information that would, if disclosed, prejudice the maintenance of law, and on balance, would be contrary to the public interest;
- (f) matters affecting the security of the council, councillors, council staff or council property, and on balance, would be contrary to the public interest;
- (g) advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege, and on balance, would be contrary to the public interest.

The grounds on which a meeting is closed to the public must be specified in the decision to close the meeting and recorded in the minutes of the meeting.

The number of items that are dealt with as *CONFIDENTIAL* are kept to a minimum.

LAYOUT FOR COUNCIL MEETINGS



THE ROLE OF THE ELECTED COUNCIL

Marrickville Council has twelve Councillors who are elected every four years to direct and control the affairs of the Council, in accordance with the Local Government Act. The Councillors review the performance of the Council and its delivery of services, the Council's financial and management plans and its annual budget.

The work of a Councillor is voluntary and a small allowance is paid to compensate them for the cost of attending the many Council Meetings and carrying out their civic duties.

In Marrickville, the Mayor is elected by the twelve Councillors to lead the Council, and is required to represent Council at many civic and community functions. The Mayor receives an additional allowance to undertake these duties.

MEETING TIMES

1st Tuesday of each month	6.00 pm	DEVELOPMENT & ENVIRONMENTAL SERVICES COMMITTEE MEETING <i>(Development Approvals, Monitoring Services, Planning Services, Environmental Services)</i>
	at conclusion of Development & Environmental Services	ORDINARY COUNCIL MEETING (Development & Environmental Services Committee Matters Only)
2nd Tuesday of each month	6.00 pm	COMMUNITY SERVICES COMMITTEE MEETING <i>(Children's Services, Community Relations, Community Development, Library Services)</i>
	at conclusion of Community Services	CORPORATE SERVICES COMMITTEE MEETING <i>(Finance, Administrative Services, Employee Services, Information Systems)</i>
	at conclusion of Corporate Services	TECHNICAL SERVICES COMMITTEE MEETING <i>(Parks & Reserves, Traffic, Engineering Services, Property Services, Business Units)</i>
3rd Tuesday of each month	6.30 pm	ORDINARY COUNCIL MEETING

Each of Council's committees has delegated authority to make decisions subject to a number of limitations. Matters which cannot be decided by the committees are referred to the Ordinary Council Meeting for decision. Meetings are held on the 3rd floor of Council's Administrative Centre, 2-14 Fisher St, Petersham.

COUNCIL BUSINESS PAPERS

To enable Council to give consideration to items of business at each Meeting, a Business Paper, like this one, is prepared, containing reports by senior staff in relation to each item listed on the Agenda for the Meeting. The Business Paper for each Meeting is available for perusal by members of the public at Council's Libraries and Community Neighbourhood Centres on the Thursday prior to the Council Meeting.

PUBLIC ATTENDANCE AT COUNCIL MEETINGS

Members of the public are welcome to attend Council and Committee Meetings and are also permitted to address Council and Committee meetings if the subject is directly related to an item before the Meeting. Details of the procedures to be followed in addressing Council and its committees are contained in the section of the Business Paper entitled "Meeting Procedures - Public Forum"

INTERPRETER ASSISTANCE

If you do not understand any part of the information given above, or wish to obtain information in relation to Council, don't hesitate to come to any of Council's offices.

MEETING PROCEDURES - PUBLIC FORUM

1. Persons will be permitted to address Council/Committee Meetings only if the subject is related directly to an item before the Council/Committee at that meeting.
2. A precis of the address shall be submitted in writing and shall be delivered to the General Manager on the ground floor of the Administrative Centre by midday on the day of the meeting. The precis should include a reference to the item on the Business Paper, details of the speaker's name, telephone number, interest in the item, brief details of the points to be made in the address and whether the recommendation is favoured or opposed.
3. Copies of the precis received shall be given to all Councillors at the commencement of the Meeting.
4. All persons addressing the Meeting shall speak to the Chair.
5. The time allowed for each speaker shall be limited to three (3) minutes with one (1) extension of not more than three (3) minutes with the approval of the Council Committee. This time limit shall apply no matter how many items are addressed by the speaker.
6. Not more than one (1) member of a Group may speak.
7. Each item before Council Committee is restricted to three (3) speakers for and three (3) speakers against the Recommendation.
8. Any proposed variation from 1 to 7 above shall be subject of a procedural motion.
9. Councillors will not enter into general debate with, or ask questions of, speakers.
10. The Chairperson may curtail public participation where the information being presented is considered repetitive or irrelevant.
11. Questions or representations will be dealt with in strict sequence of the Agenda for the Meeting.

PRECIS

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GENERAL MANAGER'S REPORTS CONTINUED

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The Draft 2005/2008 Management Plan and Draft 2005/2006 Budget are presented for Council's consideration. It is recommended that Council adopt the Draft Management Plan and the Draft Budget and make the resolutions set out in this report. This will allow Council to give public notice of the Draft Plan and Budget and publicly exhibit them for 28 days, and enable the proposed consultation process to proceed.

NOTICES OF MOTION

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From Councillor P Olive

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File Ref: 4056-03

From Councillor P Olive

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For Decision**

File Ref: 1766

General Manager reports:

Synopsis

The Draft 2005/2008 Management Plan and Draft 2005/2006 Budget are presented for Council's consideration. It is recommended that Council adopt the Draft Management Plan and the Draft Budget and make the resolutions set out in this report. This will allow Council to give public notice of the Draft Plan and Budget and publicly exhibit them for 28 days, and enable the proposed consultation process to proceed.

Background

Several Councillor Conferences were held in order to plan and prepare the Draft 2005/2008 Management Plan and subsequently develop the Draft 2005/2006 Operating Budget and Resources Plan. The details are provided below for each Conference.

Councillor Conference - 6 December 2004

A Councillor Conference was held on 6 December 2004 to discuss the Long Term Financial Plan.

The Conference was attended by all available Councillors, as well as the General Manager, Directors of Corporate Services, Technical Services, Community Services and Development & Environmental Services, Manager Finance and Manager, Corporate Development.

The aims of the session were to:

- put the Financial Plan in context;
- examine Council's current Financial health;
- review where Council gets its income and where it goes; and
- examine Council's capacity to fund major projects under consideration.

At the conference, the Director, Corporate Services gave an overview of the processes for the development of the Annual Management Plan and Budget. A detailed analysis of the 10 Year Financial Plan was provided, together with assumptions made in preparation of the model.

Each Director then gave a detailed explanation of items in the Resources Plan proposed for their Division.

The Major Projects which arose from consultation with the Community and Councillors were discussed, together with proposed funding options. The Major Projects identified were:

- New Library and Civic Centre;
- Aquatic Facilities;
- Community Facilities – remedy major defects identified; and
- May Murray Child Care Centre.

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Comments were sought from Councillors in relation to these projects and the 10 Year Financial Plan.

Councillor Conference – 12 and 13 March 2005

A further Councillor Conference was held on 12 and 13 March 2005 to discuss the Management Plan, Strategic Overview of the Budget and the Resources Plan. The Conference was attended by all available Councillors, as well as the General Manager, Directors of Corporate Services, Technical Services, Community Services and Development & Environmental Services and Manager Finance.

Each Director gave a detailed analysis of the items in the Resources Plan proposed for their Division and addressed questions raised by Councillors.

The Director, Corporate Services provided a detailed analysis of the Management Plan preparation and the results which arose from the community consultation process.

The Director, Corporate Services then provided a Strategic Overview of the Budget highlighting an Operating Budget surplus of \$2.346 million which was needed to fund the Resources Plan revenue requirement of \$2.341 million, leaving an operating surplus of \$0.005 million. The projected working funds balance was \$6.996 million.

The Director, Corporate Services reviewed the objectives underlying Council's draft financial plan and Council's capacity to fund major projects under consideration.

During the Conference, Councillors requested information in relation to several matters. This information was circulated as Councillor Briefing Papers and included the following:

1. Pensioner Rebate Information;
2. Plant Replacement Program 2005/06;
3. Parks Improvement Program – 2005/2006 Resources Plan;
4. Marrickville Sustainability Bus/Van Idea;
5. Expansion of the Magic Yellow Bus
6. Total Council Community Events Program;
7. On Line Business Paper Searches;
8. Council Properties identifying those leased to other parties; and
9. Environmental Services Grants.

These briefing papers were circulated to Councillors with the Draft 2005/2008 Management Plan and Draft 2005/2006 Operating Budget, Fees and Charges and Resources Plan.

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Councillor Conference – 31 March 2005

A further Councillor Conference was held on 31 March 2005. The objectives of this conference were:

- to provide a strategic context for each major project, including funding implications; and
- to provide a forum for Councillors to consider whether to support an application for a further Special Rate variation from 2005/06.

The Conference was attended by all available Councillors, as well as the General Manager, Directors of Corporate Services, Technical Services, Community Services and Development & Environmental Services and Manager Finance.

The Director, Corporate Services outlined the Strategic Funding Model and Funding Options available. A detailed analysis of each of the projects was provided by the Director, Corporate Services including Action Taken, Choices, Funding Options and Proposed Solution over the financial years 2005/06, 2006/07 and 2007/08 for the following projects:

- Community Facilities;
- Aquatic Facilities;
- May Murray Child Care Centre;
- SES Headquarters; and
- New Library and Civic Centre.

There was extensive discussion across each major project, its impact on the community and the recommended funding source which Council could consider.

The table below details the estimated project cost and the respective funding source:

Project Name	Total Cost	Funding Source
Community Facilities Deferred Maintenance	\$1,496,000	Community Facilities Reserve
Aquatic Leisure Facilities (5% Special Rate Levy)	\$13,620,000	5% Levy and Section 94 Open Space funding
May Murray Childcare Centre	\$2,500,000	Property Reserve and proceeds from Property Sale
SES Headquarters	\$1,477,273	Property Reserve from proceeds from Property Sale
New Library and Civic Centre	\$26,600,000	Property Reserve \$13,000,000 Sale of Lots 21 & 22 Tempe \$4,500,000 Sale of Fisher St Petersham \$4,100,000 Working Funds \$5,000,000
		Total <u>\$26,600,000</u>

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There are several important matters of financial consideration which are fundamental to the delivery of these projects:

- capital projects are premised on a contribution from a new 5% Special Rate Levy to fund the delivery of these infrastructure projects, notably upgraded Aquatic facilities;
- the Property Reserve balance of \$17.0 million will be fully utilised in undertaking these projects;
- while the projects will be undertaken across 2005/06 to 2007/08 financial years, funding and repayment of loans to the bank will be across a 10 year time horizon until 2015/16; and
- the Working Funds balance will be diminished from \$7 million approximately projected at 30 June 2005, to \$2.0 million at 30 June 2008. This balance is sufficient to cover the benchmark index of \$1.815 million set by Council's Auditors, PriceWaterhouseCoopers.

Discussion

1. Draft 2005-2008 Management Plan:

1.1 Draft Management Plan Service Improvement Initiatives

Prior to the development of the Draft Management Plan, a significant amount of time was spent researching the community to further understand what they wanted in their area in the short and longer term. A range of surveys were conducted to build up a picture of community priorities in October/November 2004. This information was then presented to Councillors and Managers at a workshop in December 2004 to provide opportunities to review the ideas that the community felt would make the biggest difference to their area and also the projects that Council could do immediately to move us in this direction.

This consultation process, along with discussions with members of our citizens' panel and other interested people, proved to be a huge success as it told us that what we were doing was pretty much on track with their expectations. From consultation with the community, Managers were able to develop strategies and exploit opportunities which are reflected in the Management Plan.

The Draft 2005/2008 Management Plan has been distributed with the Business Papers for consideration. The Draft Plan proposes improvements to ongoing programs and services and a series of new initiatives to enhance:

- the *look* of Marrickville - so that community spaces, shopping strips, residential strips and parks are safe, colourful and inviting;

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- the *feel* of Marrickville - so that Marrickville continues to be a friendly, active and inclusive community, welcoming of all cultures and peoples; and
- the *future* of Marrickville - so that Marrickville is a community that embraces sustainable practices and actively engages citizens in shaping its future.

Specific initiatives for enhancing the look, feel and future of the Marrickville area are detailed in the Draft Management Plan. They reflect the results of the surveys, as well as feedback received through the Marrickville Citizens' Panel, Council's advisory committees, Citizen Request Management System and other community consultation and planning processes.

1.2 Public Consultation Strategy

Details regarding the proposed public consultation process on the Draft 2005/2008 Management Plan and associated Draft 2005/2006 Budget papers are detailed below. The process has taken into account all statutory requirements related to the development of the Management Plan and Budget.

It is proposed that the community consultations comprise:

- exhibition of the Draft Management Plan for a minimum of 28 days in Council headquarters, libraries and community centres;
- displays on Council's community notice boards in Petersham, Dulwich Hill, Marrickville and Newtown describing proposed programs and activities and encouraging community comment;
- a lead story in the May 2005 edition of Marrickville Matters on the Draft Management Plan and Budget, including information on how to have your say;
- one (or more) public consultation meeting(s) to be held in the Council Chambers or community hall on 12 May 2005; and advertising of the meeting(s) in the Council Column and on notice boards;
- a series of press releases to be issued over the exhibition period detailing various aspects and features of the Draft Management Plan and Budget and avenues to provide comment;
- brochures to be distributed to Council Committees, schools, clubs, playgroups, churches and other government agencies;
- extension of an invitation to Council's advisory committees to make a submission on the Draft Plan and Budget;
- information on Council's website on the Draft Management Plan and Budget and an online comment form;

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- the establishment of a dedicated phone line and email address to record comments; and
- other initiatives nominated by Council.

2. Draft 2005/2006 Budget

2.1 Draft 2005/2006 Budget documents

A Draft 2005/2006 Budget has been prepared incorporating the maximum permissible rate increase for 2005/06 announced by the Minister on 22 March 2005 of 3.5%.

No changes arising from the Councillors' Conference held on 31 March 2005 are proposed. Since the Councillors' Conference, the draft Operating Budget has been adjusted to reflect the income and expenditure associated predominantly with Mainstreet adjustments totalling \$4,293. The budget surplus of \$4,964 advised at the Councillor Conference on 12 and 13 March 2005, as a result of these adjustments, is now stated as a \$671 surplus.

It is proposed to adopt a rating structure with a 3.5% increase included. This is incorporated in the Draft 2005/2006 Operating Budget and Resources Plan. Growth as a result of development will contribute \$97,570 to Council's rate income which has not yet been included in the Draft Budget. In the absence of any changes, this would leave a Draft Budget surplus of \$98,241.

The Draft 2005/2006 Operating Budget and financial position outlined in this report reflect the position at the March Budget Review, as provided at the Council meeting on 15 April 2005.

The Draft 2005/2006 Budget comprises the following documents that have been distributed with the Business Paper:

- (a) Draft 2005/2006 Operating Budget:
 - Council summary by major categories of Income and Expenditure;
 - Summary by program of major categories of Income and Expenditure;
 - Division summary by program of Expenditure and Income; and
 - Summary by program and activity.
- (b) Draft 2005/2006 Resources Plan; and
- (c) Draft 2005/2006 Fees and Charges.

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2.2 Council's Consideration of the Draft 2005/2006 Budget

The Draft 2005/2006 Budget comprising the:

1. Draft 2005/2006 Operating Budget;
2. Draft 2005/2006 Resources Plan; and
3. Draft 2005/2006 Fees & Charges Schedule;

is presented for consideration by Council.

As advised at the recent Councillors' Conference, it would be prudent for Council to adopt a balanced budget. A summary of the Draft Budget is outlined below:

SUMMARY OF 2005/2006 DRAFT BUDGET

1. 2005/2006 Draft Budget Position

	\$
Operating Budget Surplus	2,343,468
Resources Plan Revenue Funding	2,342,797
OVERALL DRAFT BUDGET SURPLUS	671

2. Projected Working Funds Position based on 2005/2006 Draft Budget

Anticipated Working Funds Position as at 30 June 2005 from March Budget Review	6,959,424
LESS:	
Overall Draft Budget Deficit	671
Projected Working Funds Position at 30 June 2005	6,960,095

Benchmark*	(1,818,000)
Surplus over benchmark	5,142,095

* *An adequate Available Working Funds position based on advice from the Auditor is to achieve the benchmark, being arrears of rates plus inventory. The benchmark position at 30 June 2004 was \$1,818,000.*

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2.3 Voluntary Pensioner Subsidy

The Draft 2005/06 Operating Budget does not include the Voluntary Pensioner Subsidy of \$54.70 approved by Council for application in the 2004/05 financial year.

2.4 Special Rate Variations

The Minister for Local Government approved a Special Rate Variation of 5% in the 1999/2000 financial year for the purpose of Infrastructure and Environmental Improvement Works. A Special Rate Variation of \$20,000 for the funding of the Dulwich Hill Mainstreet Committee was concurrently approved. Both Special Rate Variations lapse on 30 June 2005.

Funding of the package of Major Projects and in particular the upgrade of Aquatic Facilities proposed in the Draft 2005/06 Resources Plan, is premised on Council applying to the Minister for a Special Rate Variation of 5% for the 2005/06 financial year to apply for a period of ten (10) years. It is also proposed to apply to the Minister for a Special Rate Variation to maintain the current Dulwich Hill Mainstreet funding of \$23,062. It is proposed that this be a permanent variation.

3. Council's Rating Structure

3.1 Recommended Rate Increase

3.1.1 Permissible Rate Increase

The Draft 2005/2006 Budget has been developed on the basis of Council adopting the maximum rate increase permissible by the NSW State Government which was 3.5%. Adoption of that maximum is recommended.

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3.1.2 Adoption of Proposed Rating Structure

Council needs to adopt its proposed rating structure as part of the Revenue Policy contained in the Financial Strategies section of the Draft 2005/2008 Management Plan. It is proposed to adopt the maximum rate increase of 3.5% and in relation to each category or sub-category of Rate:

- i. a rate in the dollar on all land in that category;
- ii. a minimum rate or base amount (if one is to be set) specifying the amount in dollars of the base amount, and the percentage of the total amount payable by the levying of the rate that the levying of the base amount will produce;
- iii. the estimated yield of the rate; and

in relation to the Special Rates:

- iv. the part of the land upon which it is to be levied;
- v. a rate in the dollar; and
- vi. the estimated yield of the rate;

details of which will be incorporated in the proposed rating structure for 2005/2006.

3.2 Special Rates – Main Street Programs

3.2.1 Introduction

In considering its rating structure for 2005/2006, Council also needs to give consideration to whether it wishes to continue to levy a special rate for its Marrickville, Newtown South and Petersham Main Street Programs and to apply to the Minister for a special rate for the Dulwich Hill program.

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3.2.2 Consultation Process – Annual General Meetings

As with previous Council practice, Annual General Meetings are being held for each of the four existing Main Street Programs, to gauge whether the property owners and retailers for each area wish to continue their respective programs, under the current rating arrangements.

All property owners and business operators subject to each Main Street Program will shortly be notified of the meetings, dates for which have been set for May 2005.

3.2.3 Council's Consideration of Levying of Main Street Special Rates

As part of its 2005/2006 revenue policy, Council needs to consider whether to continue to levy the Main Street Special Rates in relation to the Newtown South, Marrickville and Petersham Mainstreet Programs, subject to receiving support for the Programs at each Committee's Annual General Meeting. A decision on whether to apply for a special rate for the Dulwich Hill Maintreet program is also needed.

3.2.4 Council's Matching Contribution to Main Street Programs

Provision has been included for Council to continue to make a matching \$1:\$2 contribution in relation to the Newtown South, Marrickville, Petersham and, if approved by the Minister, Dulwich Hill Main Street Programs. Budget documents are currently based on matching rates revenue incorporating an increase of 3.5%.

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3.2.5 Council's Rating Category

The following tables outline relevant rating information for two scenarios:

Option A: Excludes the current 5% Infrastructure and Environmental Levy and Dulwich Hill Mainstreet Levy which lapses on 30 June 2005. It incorporates the maximum 3.5 General Variation in rates approved by the Minister.

Option B: Excludes the current 5% Environmental and Infrastructure Levy and Dulwich Hill Mainstreet Levy which lapses on 30 June 2005. It incorporates the maximum 3.5% General Variation in rates approved by the Minister and the following:

- a 5% Special Rate Variation for the 2005/06 financial year to apply for 10 years to fund Major Projects; and
- a new Dulwich Hill Mainstreet Levy at the existing level of \$23,062.

RATING CATEGORY	BASIS OF CALCULATION
RESIDENTIAL RATE:	The Residential Rate for 2005/2006 will be calculated on an ad valorem basis, which is multiplying the Land Value by a rate in the dollar, subject to a Minimum Rate.
BUSINESS RATE:	The Business Category will be sub-categorised into Business – General and four Business – Industrial sub-categories based on the Marrickville, St Peters, St Peters North and Camperdown centres of activity and a Business – Marrickville Metro rate based on the property known as the Marrickville Metro as a centre of activity. All Business Rates for 2005/2006 will be calculated on a pure ad valorem basis.
MAINSTREET SPECIAL RATES	The Newtown Business Centre, Marrickville Business Centre and Petersham Business Centre Mainstreet Special Rates for 2005/2006 will be calculated on a pure ad valorem basis. If approved, the Dulwich Hill Business Centre Mainstreet Special Rate for 2005/2006 will be calculated on a pure ad valorem basis.

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OPTION A – 3.5% INCREASE APPROVED BY THE MINISTER FOR LOCAL GOVERNMENT

RATE TYPE	CATEGORY	SUB CATEGORY	AD VALOREM AMOUNTS CENTS IN \$	STRUCTURE	ESTIMATED YIELD
Ordinary	Residential	Not applicable	0.237827 subject to a minimum rate of \$457.40	An ad valorem rate in the dollar on all rateable land in the category subject to a Minimum Rate of \$457.40	Minimums \$5,173,651.40 Ad Valorem \$13,026,735.46 Total \$18,200,386.86
Ordinary	Business	General	0.850547	An ad valorem rate in the dollar on all rateable land in the sub-category.	\$6,780,010.76
Ordinary	Business	Industrial- Marrickville	0.996067	An ad valorem rate in the dollar on all rateable land in the sub-category.	\$4,205,463.20
Ordinary	Business	Industrial – St Peters	0.996067	An ad valorem rate in the dollar on all rateable land in the sub-category.	\$1,177,414.04
Ordinary	Business	Industrial – St Peters North	0.996067	An ad valorem rate in the dollar on all rateable land in the sub-category.	\$268,337.06
Ordinary	Business	Industrial - Camperdown	0.996067	An ad valorem rate in the dollar on all rateable land in the sub-category.	\$260,346.91
Ordinary	Business	Marrickville Metro	1.200743	An ad valorem rate in the dollar on all rateable land in the sub-category.	\$166,903.28
Special	Business	Newtown Business Centre	0.034408	An ad valorem rate in the dollar on all rateable land in the sub-category.	\$53,038.63
Special	Business	Marrickville Business Centre Mainstreet	0.046814	An ad valorem rate in the dollar on all rateable land in the sub-category.	\$48,796.25
Special	Business	Petersham Business Centre Mainstreet	0.050041	An ad valorem rate in the dollar on all rateable land in the defined area.	\$10,650.49
		TOTAL YIELD			\$31,171,347.49

The above information needs to be advertised as part of the public consultation process.

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OPTION B – SPECIAL VARIATION 8.5% INCREASE (3.5% APPROVED BY THE MINISTER FOR LOCAL GOVERNMENT PLUS APPLICATION FOR SPECIAL VARIATION OF 5% PLUS SPECIAL BUSINESS – DULWICH HILL BUSINESS CENTRE MAINSTREET.

RATE TYPE	CATEGORY	SUB -CATEGORY	AD VALOREM AMOUNTS CENTS IN \$	STRUCTURE	ESTIMATED YIELD
Ordinary	Residential	Not applicable	0.253638 Subject to a Minimum Rate of \$457.40	An ad valorem rate in the dollar on all rateable land in the category subject to a Minimum Rate of \$457.40	Minimums \$4,821,453.40 Ad Valorem \$14,258,179.20 Total \$19,079,632.60
Ordinary	Business	General	0.891636	An ad valorem rate in the dollar on all rateable land in the sub-category	\$7,107,545.70
Ordinary	Business	Industrial - Marrickville	1.044186	An ad valorem rate in the dollar on all rateable land in the sub-category	\$4,408,624.92
Ordinary	Business	Industrial – St Peters	1.044186	An ad valorem rate in the dollar on all rateable land in the sub-category	\$1,234,293.73
Ordinary	Business	Industrial – St Peters North	1.044186	An ad valorem rate in the dollar on all rateable land in the sub-category	\$281,300.16
Ordinary	Business	Industrial - Camperdown	1.044186	An ad valorem rate in the dollar on all rateable land in the sub-category	\$272,924.01
Ordinary	Business	Marrickville Metro	1.25875	An ad valorem rate in the dollar on all rateable land in the sub-category	\$174,966.25
Special	Business	Newtown Business Centre Mainstreet	0.03607	An ad valorem rate in the dollar on all rateable land in the defined area	\$55,600.54
Special	Business	Marrickville Business Centre Mainstreet	0.049076	An ad valorem rate in the dollar on all rateable land in the defined area	\$51,154.03
Special	Business	Petersham Business Centre Mainstreet	0.052458	An ad valorem rate in the dollar on all rateable land in the defined area	\$11,164.91
Special	Business	Dulwich Hill Business Centre Mainstreet	0.05975	An ad valorem rate in the dollar on all rateable land in the defined area	\$23,062.21
		TOTAL YIELD			\$32,700,269.08

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Fees & Charges

Council has adopted Fees and Charges for the 2005/2006 Financial Year, details of which are contained in the 2005/2006 Schedule of Fees and Charges (separate document).

Domestic Waste Charge for 2005/06

Council levies a Domestic Waste Management Charge under Section 496 of the Local Government Act, 1993. This charge will apply uniformly to each parcel of rateable land for which the service is available.

The Draft Budget has been prepared on the basis of increasing the Domestic Waste Management Charge by 3.5% from \$286.29 to \$296.31 which is a \$10.03 increase. Council's domestic waste management service, including household garbage collection/disposal, cleanup service, the new green waste service, lane cleaning and recycling services, costs \$9.833 million to provide and is funded by the Domestic Waste Management charge income (\$8.189 million) and charges for additional services (\$1.644 million).

Charge – Interest payable on Overdue Rates and Charges for 2005/06

In accordance with section 566(3) of the Local Government Act 1993, the Minister for Local Government determines the maximum rate of interest payable on overdue rates and charges for the rating year. For 2004/2005, the interest rate was set at 9.0%.

Marrickville Council will adopt the maximum interest rate for 2005/2006, once it has been determined by the Minister for Local Government.

Pricing Strategy

Council has adopted a policy of passing on the full GST on all items where applicable, if practicable to maintain existing service levels. Changes in prices for the 2005/2006 Fees & Charges Schedule have been contained mainly to changes in the cost of providing the service.

No GST has been added for items that are GST-free, or exempted under the Division 81 determination of the Federal Treasury. Council has ensured that its pricing strategy conforms to the Australian Competition and Consumer Commission (ACCC) pricing requirements for the GST.

Council has adopted a number of Pricing Policies for the goods and services it provides. Eight categories of pricing are in place in relation to the services to the Marrickville community.

The Pricing Categories (PCs) for the services provided are:

1. no fee as all the associated costs are met from general income;
For example, Community Halls (non profit use)
2. the fee partly offsets expenditure with the majority of costs being met from general income;
For example, Meals on Wheels, Community Halls (private use), Library Services.

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3. the fee recovers a significant amount of the annual operating and maintenance costs;
For example, Long Day Care, Outside School Hours, Vacation Care, Swimming Pools.
4. the fee recovers the annual operating and maintenance costs;
For example, Inspection Fees, Waste Management Charges, Subpoenas, Real Estate Reports.
5. the fee recovers the annual operating and maintenance costs, and makes a contribution to the cost of replacing any infrastructure associated with the service;
For example, D.A. and B.A. Advertising, Sale of items, Licence Fees, Building Statistics, Modification of consent, Renewal of consent, Vehicular Crossings.
6. the fee generates an appropriate return on the capital invested;
For example, Restoration Charges, Restoration Bookings, Temporary Road Closures.
7. the fee has been set at similar prices charged by other councils; and
For example, Section 603 Certificates, Freedom of Information.
8. the fee is set by State Government.
*For example, D.A. Fees, B.A. Fees,
Section 149 Certificates, Building Certificates.*

RECOMMENDATION:

THAT Council gives consideration to the matters raised in this report and adopt the following with any determined amendments incorporated:

1. the Draft 2005/2008 Management Plan and Draft 2005/2006 Budget including:
 - (a) the Draft 2005/2006 Fees & Charges Schedule;
 - (b) a rating structure for 2005/2006 comprising a 3.5% increase in the Rate Yield;
 - (c) a rating structure for 2005/2006 comprising a 5% Special Variation Levy to fund Major Projects;
 - (d) a rating structure for 2005/2006 comprising a new Dulwich Hill Mainstreet rate yielding \$23,062 in 2005/06;
 - (e) an interest rate of 9% on a simple interest basis to be applied daily on overdue rates or such other maximum interest rate announced by the Minister
 - (f) the Draft 2005/2006 Operating Budget;
 - (g) the Draft 2005/2006 Resources Plan; and
 - (h) the Draft 2005/2006 Loans Program

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2. resolve to exhibit the 2005/2008 Draft Management Plan and Draft 2005/2006 Budget and conduct appropriate consultations in accordance with the process set out in this report;
3. resolve to apply to the Minister for a Special Rate of 5% for 10 years to fund Major Projects;
4. resolve to apply to the Minister for a Special Rate to reintroduce a Dulwich Hill Mainstreet rate with a yield in 2005/06 of \$23,062; and
5. the report be received and noted.

ATTACHMENTS:

Distributed under separate cover to Council's usual distribution points.

***NM 10 - F6 ROAD PROJECT
For Decision***

File Ref: 4056-03

From Councillor P Olive

MOTION:

THAT Council write to all members of the NSW State Parliament condemning the recent “resurrection” of the F6 by the Minister for Roads, Michael Costa, and stating that:

1. the F6 concept is out of step with the preferred options of the Department of Infrastructure, Planning and Natural Resources (DIPNR) and of planning experts such as the NSW Commissioner for Sustainability, Peter Newman, and runs counter to the State Government’s calls for Transit Oriented Development (TOD): urban consolidation serviced by a modern public transport system;
2. the proposed F6 project would pass through and destroy Council’s nearly completed \$17 million land remediation project at Tempe: work that has been undertaken by Council after assurances by the State Government that the F6 would be shelved and after Council received a remediation order from the Environment Protection Authority instructing it to remediate the Tempe site;
3. the further extension of freeways such as the F6 will work against a reduction in Green House Gasses by providing significant infrastructure increasing motor vehicle usage;
4. the continued expansion of the road system will create problems due to increased traffic;
5. motor vehicular transport will become less sustainable as the world oil capacity continues to decline in relation to present and expected increases in world demand; and
6. the State Government should reinstate the decision of the previous Minister for Roads, Carl Scully, to remove the F6 from the State Government’s list of future road projects and supports his description of the F6 as an “urban blight”.

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***NM 11 - ADDISON ROAD COMMUNITY CENTRE - EXPANSION OF
OPERATING HOURS
For Decision***

File Ref: 4056-03

From Councillor P Olive

Discussion

The Addison Road Community Nursery (ARCN) is a Council run nursery that provides native tree and plant stock to the community. The stock has been propagated from seeds gathered, predominantly along the banks of the Cooks River.

Council recently approved a lease arrangement with the Addison Road Centre (ARC) for the ARCN, agreeing to pay \$500 pa for 5 years.

ARCN is presently open for several hours every Wednesday, and one Saturday a month. This provides the community with only a small and intermittent opportunity to access this service.

Increasing the hours of ARCN would improve the accessibility of this service, providing low cost native plants to the community.

Presently the nursery has sales of between \$250 and \$400 per Saturday. This money goes back into Council's consolidated revenue. Sale figures within this range would ensure that the expansion of the opening hours would be cost neutral.

MOTION

THAT staff report on options and associated costing for expanding the hours of operation of the Addison Road Community Nursery.

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***NM 11 - ADDISON ROAD COMMUNITY CENTRE - EXPANSION OF
OPERATING HOURS***

For Decision