



Item No: 0.0
Title: Exhibition of the draft Operational Plan 2021-22
Department: Environment and Planning

27 April 2021 Ordinary Council Meeting

Reference: F2021/00508 - D14562145
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Report purpose

The purpose of this report is to recommend that the draft Operational Plan 2021-2022, including the proposed Fees and Charges, as presented in Attachments 1 and 2, is publicly exhibited for a period of 28 days.

Executive Summary

In accordance with the *Local Government Act 1993* and *Local Government (General) Regulations 2005* Council is required to develop an Operational Plan before the commencement of each financial year and publicly exhibit that plan for a period of no less than 28 days.

The draft Operational Plan for the 2021-2022 financial year is the final year of the Delivery Program (2018-2019 to 2021-2022) and has been prepared in accordance with the above legislation. It includes:

- Operational actions and indicators that Council intends to carry out in the 2021-2022 financial year and a four year capital works program. This is linked to the Community Strategic Plan (CSP)
- Financial information, including the Long Term Financial Plan, operational and capital income and expenditure, Statement of Revenue, proposed rates, and the Fees and Charges (under separate cover) planned for 2021-2022.

In summary, based on Council's preferred scenario of a 15% Special Rate Variation, it is proposed that in 2021-2022 Council will receive \$666.8M in operational revenue and spend \$659.8M on services and operational costs, which results in a modest surplus of \$7.0M (excluding capital grants and contributions). This includes the delivery of over 70 projects, actions and indicators, including:

- Adoption and implementation of the Disability Inclusion Action Plan

- Continued lifeguard services at patrolled beaches
- Implementation of priority actions from the Biodiversity Strategy
- Supporting the Local Government elections and effective induction of Councillors
- Review of the Community Strategic Plan and development of a new Delivery Program (2022-2023 to 2024-2025), Operational Plan 2022-2023, and Resourcing Strategy (Long Term Financial Plan, Workforce Management Strategy and Asset Management Strategy)
- Consolidation of the 7.11 Contribution Plans, with commencement of Phase 3
- Continued service delivery at libraries, with an annual target of 530,000 visits and 100,000 loans.

It is also proposed that \$173.5M will be spent on capital works projects, with a focus on depreciation and maintaining Council's existing infrastructure. This includes over 350 capital works projects in 2021-2022, with the draft Operational Plan 2021-2022 also including details of capital works projects for the following three years.

The draft Operational Plan and proposed Fees and Charges for the 2021-2022 financial year is presented in Attachments 1 and 2 and is now ready to be placed on public exhibition for community review. This report seeks the endorsement of this.

Environment and Planning Recommendation

- 1 *That Council endorse the draft Operational Plan (Attachment 1), including Fees and Charges (Attachment 2), for the 2021-2022 financial year for the purposes of public exhibition from Thursday 29 April to Wednesday 26 May 2021 and invite public submissions in accordance with the Local Government Act 1993.*
- 2 *That Council give public notice of the draft Operational Plan 2021-2022, including Fees and Charges, in accordance with s.405(3) of the Local Government Act 1993, and publicly exhibit that draft Operational Plan 2021-2022 in accordance with that public notice.*
- 3 *That Council resolve, for the purpose of s. 405(4) of the Local Government Act 1993, that maps showing the parts of the Central Coast local government area to which each category and sub-category of ordinary and special rates proposed in the draft Operational Plan 2021-2022 be made available in Council's Gosford and Wyong Administration Offices.*
- 5 *That Council consider submissions and final adoption of the draft Operational Plan 2021-2022, including Fees and Charges, at a meeting of the Council on 28 June 2021.*

Background

Prior to adopting an Operational Plan for the 2021-2022 financial year Council is required to publicly exhibit its draft Operational Plan and in accordance with the following sections and sub-sections of the *Local Government Act 1993*, it must:

- Sub-section 405 (3) - give public notice of the draft Operational Plan 2021-2022, advising that submissions may be made to Council for a period of no less than 28 days
- Sub-section 405 (3) - publicly exhibit the draft Operational Plan 2021-2022 in accordance with that notice
- Section 405(4) - make available for inspection at an office of the Council a map of the Central Coast Local Government Area that shows those parts of that area to which each category and sub-category of the ordinary rate and each special rate included in the draft Operational Plan applies.

Current Status

The draft Operational Plan for the 2021-2022 financial year has been prepared in accordance with the *Local Government Act 1993* and *Local Government (General) Regulation 2005* and responds to Council's financial situation, with the need to repay restricted funds and return to financial sustainability. The draft Operational Plan 2021-2022 includes the proposed income and expenditure, with details of the projects, actions and indicators that will be carried out in 2021-2022 based on the available budget.

It is now recommended that the draft Operational Plan 2021-2022 (Attachment 1), including the proposed Fees and Charges (Attachment 2), be placed on public exhibition from Thursday 29 April 2021 to Wednesday 26 May 2021.

Report

The draft Operational Plan 2021-2022 (Attachment 1) is comprised of the following:

- Introduction – this includes information about the Local Government Area, the organisation and other information that is necessary when reading the document, such as the Community Strategic Plan (CSP) framework and details about the financial situation.
- Operational Plan – this includes the priorities from the Delivery Program, and the Operational Plan actions and indicators proposed for 2021-2022 that are aligned to the CSP
- Financial Information – includes the financial overview for 2021-2022, the operating and capital income and expenditure, and the four year capital works program
- Long Term Financial Plan (LTFP) – includes assumptions and 10 year forecasting based on those assumptions
- Statement of Revenue – details the proposed rates and annual charges for 2021-2022
- Fees and Charges (Attachment 2) – details the proposed fees and charges for 2021-2022

Consultation

It is proposed that the draft Operational Plan 2021-2022 (Attachment 1) and the proposed Fees and Charges (Attachment 2) are publicly exhibited from Thursday 29 April to

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Wednesday 26 May 2021. During this time the documents will be available online at www.yourvoiceourcoast.com.au or at Council's Gosford and Wyong administration buildings.

Members of the community may make a submission by writing via:

Post: PO Box 21, Gosford NSW 2250; or
PO Box 20, Wyong NSW 2259

Email: ask@centralcoast.nsw.gov.au

Online at: www.yourvoiceourcoast.com

Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.

The following statement is provided in response to this resolution of Council.

The draft Operational Plan details the financial income and expenditure for the 2021-2022 financial year and projected financial forecasts till the 2030-2031 financial year. Where relevant the financial information includes the following scenarios:

- **Scenario 1:** A one-off 15% permanent increase (inclusive of 2% standard rate peg and 13% SRV) that would be applied in 2021-2022. If approved this will ensure an additional \$22.9M in income.
- **Scenario 2:** Standard rate peg (no rate rise). As per IPARTs SRV application requirements, this would mean 2% increase in 2021-2022 and 2.5% in 2022-2023.

The table below is an extract from the draft Operational Plan 2021-2022 and provides a summary of the proposed budget of Council for 2021-2022 and the following three financial years. This is based on Council's preferred scenario of a 15% SRV (NB: figures are subject to rounding).

Financial Summary	2021-2022	2022-2023	2023-2024	2024-2025
	\$ million	\$ million	\$ million	\$ million
Operating Income	666,792	693,922	701,290	708,798
Operating Expenditure	659,748	670,467	681,300	692,250
Net Operating Result (excluding Capital Grants and Contributions)	7,043	23,456	19,990	16,548
Capital Grants and Contributions	42,890	42,722	42,529	42,872
Net Operating Result (including Capital Grant and Contributions)	49,934	66,178	62,519	59,420

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Financial Summary	2021-2022	2022-2023	2023-2024	2024-2025
	\$ million	\$ million	\$ million	\$ million
Capital Works Program	173,547	182,606	188,106	193,606

Link to Community Strategic Plan

Theme 4: Responsible

Goal G: Good governance and great partnerships

R-G4: Serve the community by providing great customer experience, value for money and quality services.

Risk Management

The exhibition timeline ensures the community has adequate time to review the draft Operational Plan 2021-2022 and Council has adequate time to consider those submissions and adopt a final Operational Plan 2021-2022 by 1 July 2021.

This timeline ensures Council meets its requirements and aims to mitigate any risk of being in breach of legislation.

Options

Council has the option to:

- 1 Adopt the draft Operational Plan 2021-2022 for exhibition (recommended). The draft Operational Plan 2021-2022 (Attachment 1), including the proposed Fees and Charge (Attachment 2), have been prepared in accordance with relevant legislation. Adopting the draft Operational Plan 2021-2022 for exhibition is in accordance with requirements and seeks to ensure that Council does not breach legislation.
- 2 Resolve not to adopt the draft Operational Plan 2021-2022 for exhibition (not recommended). Council may choose to exhibit the draft Operational Plan 2021-2022 at a different time but doing so may put Council at risk of being in breach of legislation and possible consequences imposed by the Minister for Local Government.

Critical Dates or Timeframes

It is proposed that the draft Operational Plan 2021-2022 (Attachment 1) and the proposed Fees and Charges (Attachment 2) are publicly exhibited from Thursday 29 April 2021 to Wednesday 26 May 2021. Council is required to consider all submissions it receives prior to adopting the Operational Plan 2021-2022. A summary of those submissions, consideration of

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recommended changes and adoption of the Operational Plan 2021-2022 and proposed Fees and Charges will be presented at the Ordinary Meeting of Council on 28 June 2021.

Attachments

- 1** Draft Operational Plan 2021-2022 Provided Under Separate Cover D14582318
- 2** Draft Fees and Charges 2021-2022 Provided Under Separate Cover D14582320