



Legislative Council Standing Committee on Environment and Planning

Consolidated request for information relevant to the Inquiry into Rate Capping Policy

As part of the Inquiry into Rate Capping Policy, the Committee has resolved to request the following information. This request is made pursuant to section 19 of the *Constitution Act 1975*, and Legislative Council Standing Order 23.19. Further all responses will be treated as evidence, which is protected by parliamentary privilege.

Please return responses to epc@parliament.vic.gov.au by Friday 1 July 2016. If you have any questions please contact the Secretariat on 03 8682 2869.

Council Name:	Baw Baw Shire Council
----------------------	-----------------------

1. Enterprise Bargaining Agreement

	What is the percentage pay increase provided for in your EBA for the following periods? If the EBA has not been concluded for these periods please advise.	What is the additional estimated cost of bracket creep annually at your council? Note Bracket creep means movements in payments unrelated to the general EBA indexation but related to reclassifications and annual and other increments relating to changes of bands.
2013/14 financial year	4%	
2014/15 financial year	2.75%	
2015/16 financial year	2.85%	
2016/17 financial year	2.85%	
2017/18 financial year	TBA	

2. Local government general election costs 2012 and 2016

General council election	Cost	How delivered (i.e., 'postal' or 'attendance elections')
2012	\$220,000	Postal
2016	\$300,000	Postal

Were there any differences between these two elections which would impact on costs (e.g. number of centres increased or decreased)?

No



Legislative Council Standing Committee on Environment and Planning

3. Senior officer salaries

As at 30 June 2015 (for the 2014/15 financial year) and 30 June 2016 (for the 2015/16 financial year), please provide the **number** of senior officers for each pay scale. Please note senior officers should be defined as per the *Local Government Act*, and should include remuneration for each position as reported under the Local Government (Planning & Reporting) Regulations 2014.

Salary Band	Number of staff at 30 June 2015 (2014/15 financial year)		Number of staff at 30 June 2016 (2015/16 financial year)		Salary Band	Number of staff at 30 June 2015 (2014/15 financial year)		Number of staff at 30 June 2016 (2015/16 financial year)		Salary Band	Number of staff at 30 June 2015 (2014/15 financial year)		Number of staff at 30 June 2016 (2015/16 financial year)	
	EBA staff	Managers	EBA staff	Managers		EBA staff	Managers	EBA staff	Managers		EBA staff	Managers	EBA staff	Managers
\$120,000 - \$129,999	1	1			\$250,000 - \$259,999					\$380,000 - \$389,999				
\$130,000 - \$139,999		9		3	\$260,000 - \$269,999		1			\$390,000 - \$399,999				
\$140,000 - \$149,999		4		8	\$270,000 - \$279,999					\$400,000 - \$409,999				
\$150,000 - \$159,999		1		3	\$280,000 - \$289,999				1	\$410,000 - \$419,999				
\$160,000 - \$169,999					\$290,000 - \$299,999					\$420,000 - \$429,999				
\$170,000 - \$179,999		1			\$300,000 - \$309,999					\$430,000 - \$439,999				
\$180,000 - \$189,999		1		1	\$310,000 - \$319,999					\$440,000 - \$449,999				
\$190,000 - \$199,999		2		1	\$320,000 - \$329,999					\$450,000 - \$459,999				
\$200,000 - \$209,999				1	\$330,000 - \$339,999					\$460,000 - \$469,999				
\$210,000 - \$219,999					\$340,000 - \$349,999					\$470,000 - \$479,999				
\$220,000 - \$229,999					\$350,000 - \$359,999					\$480,000 - \$489,999				
\$230,000 - \$239,999					\$360,000 - \$369,999					\$490,000 - \$499,999				
\$240,000 - \$249,999					\$370,000 - \$379,999					\$500,000 +				



Legislative Council Standing Committee on Environment and Planning

4. Planning fees

	What was the cost to your council to issue planning permits?	What revenue was received by your council from planning permits?
2012/13 financial year	775,210	239,853
2013/14 financial year	819,836	283,834
2014/15 financial year	865,526	275,338
2015/16 financial year	775,038	215,108
2016/17 financial year (if not known please state this)	560,000	230,000

5. If your council applied to the Essential Services Commission (ESC) for a rate cap variation:

What was the total cost to council of preparing the application?	NA
--	----

6. Roads and bridges

What is the size of the road network (in kms) that you are responsible for?	1765km
If there is a backlog in road and/or bridge maintenance and renewal, has your council costed this and if so what is the estimated cost?	Based on current available data and information on: conditions of Council's roads and bridges, population and development growth, funding availability and increasing traffic volume and loading, Council has estimated a backlog of \$150 million in road and bridge maintenance and renewal. Calculation methodology is based on a 30 years projected renewal and maintenance demand on Moloney Renewal modelling minus Council total projected depreciation funding listed in the Long Term Financial Strategy.

	How much road and/or bridge maintenance and renewal funding did your council receive from the state government?	How much road and/or bridge maintenance and renewal funding did your council receive from the federal government?	How much did your council spend in total on road and/or bridge maintenance and renewal?
2012/13 financial year	2,569,258	7,112,743	11,034,939
2013/14 financial year	3,765,759	7,449,583	14,179,047
2014/15 financial year	3,453,598	3,532,405	14,608,545
2015/16 financial year	3,411,195	6,361,551	18,184,889
2016/17 financial year (if not known please state this)	2,560,000 (indicative)	5,643,182 (indicative)	19,298,848 (indicative)

Do you have any other comments about funding for infrastructure (such as roads and bridges)?

There is significant funding deficit for managing the existing infrastructure (such as roads and bridges) due to historically poor planning decisions and a lack of capacity to fund the demands of a growing population. With the exception of recent years increase investment in renewal capital, historically small Council budgets were insufficient to fund the large infrastructure base. Investment into existing infrastructure has not kept pace with the transport demands from community expectations and population growth, increasing traffic volume and use of high performance vehicle for greater efficiencies and productivities.

Funding to support:



Legislative Council Standing Committee on Environment and Planning

- The collection and analysis of asset data to guide asset investment decisions
- Upgrade to the road and bridge network to meet the increasing service level demand and to support the increasing traffic volume and high performance vehicles
- Roads and bridges asset damage repairs and upgrade to be more resilient from natural disasters



Legislative Council Standing Committee on Environment and Planning

7. State Emergency Service

	How many State Emergency Service units are based in your municipality?	How many State Emergency Service units do you provide funding to?	How much funding did you provide to the State Emergency Service?	Did you provide any other support/assistance to the State Emergency Service? (such as land, buildings or maintenance)	If you provided other support/assistance to the State Emergency Service, what is the estimated value?
2012/13 financial year	2	2	\$10,951	Land and buildings	\$30,850
2013/14 financial year	2	2	\$5,620	Land and buildings	\$30,850
2014/15 financial year	2	0	0	Land and buildings	\$30,850
2015/16 financial year	2	0	0	Land and buildings	\$30,850
2016/17 financial year (if not known please state this)	2	0	0	Land and buildings	\$30,850

8. Containing costs

Are you able to give some examples of how council has reduced spending and/or contained costs in 2015/16 in preparation for the introduction of rate capping? Was any infrastructure deferred or cancelled, if so please specify.

Organisation Restructure - during the 2015/16 financial year Council reviewed and amended the organisation structure resulting in ongoing annual salary savings of \$1.6 million and a reduction of 18.8 full time equivalent staff positions. The impact of this restructure has enabled Council to partly absorb the impact of the rate cap while maintaining a capital works program in the order of \$30 million.

Are you able to give some examples of planned measures to reduce spending and/or contain costs in 2016/17 in following the introduction of rate capping? Was any infrastructure deferred or cancelled, if so please specify.

The organisation restructures salary savings is maintained in 2016/17 enabling a robust capital works program in the order of \$30 million.

While Council has not cancelled any infrastructure works as a result of rate capping, the impact of a 2.5 % ceiling on rate increases has placed restrictions on Council's future capital works program including the planned reduction to the current infrastructure backlog. Council's current Long Term Financial Plan reflects future years where projected capital renewal needs exceed the estimated annual depreciation expense.