



## 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](mailto:epc@parliament.vic.gov.au) by Friday 1 July 2016. If you have any questions please contact the Secretariat on 03 8682 2869.

<b>Council Name:</b>	BANYULE CITY COUNCIL
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#### 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	4.00%	\$380K
2014/15 financial year	3.35%	\$400K
2015/16 financial year	3.35%	\$500K
2016/17 financial year	3.30%	\$500K
2017/18 financial year	Not known - Current EBA expires June 2017	Est. \$500K

#### 2. Local government general election costs 2012 and 2016

General council election	Cost	How delivered (i.e., 'postal' or 'attendance elections')
2012	\$434,882.34	Attendance
2016	\$644,675.28 (Quoted by VEC)	Attendance

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

2012 elections the quoted price was around \$500,000 but one ward was uncontested so the cost came in less than quoted. For 2016 we do not know as yet if all wards will be contested or not



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### 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					\$250,000 - \$259,999					\$380,000 - \$389,999				
\$130,000 - \$139,999					\$260,000 - \$269,999					\$390,000 - \$399,999				
\$140,000 - \$149,999					\$270,000 - \$279,999					\$400,000 - \$409,999				
\$150,000 - \$159,999					\$280,000 - \$289,999					\$410,000 - \$419,999				
\$160,000 - \$169,999		14		14	\$290,000 - \$299,999					\$420,000 - \$429,999				
\$170,000 - \$179,999					\$300,000 - \$309,999					\$430,000 - \$439,999				
\$180,000 - \$189,999					\$310,000 - \$319,999		1			\$440,000 - \$449,999				
\$190,000 - \$199,999					\$320,000 - \$329,999				1	\$450,000 - \$459,999				
\$200,000 - \$209,999					\$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		4			\$360,000 - \$369,999					\$490,000 - \$499,999				
\$240,000 - \$249,999				4	\$370,000 - \$379,999					\$500,000 +				



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### 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	\$2,291,999	\$513,975
2013/14 financial year	\$2,428,634	\$702,387
2014/15 financial year	\$2,674,519	\$670,914
2015/16 financial year	\$2,887,674	\$692,820
2016/17 financial year (if not known please state this)	\$2,887,674 (Budget)	\$711,996 (Budget)

### 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?	N/A
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### 6. Roads and bridges

What is the size of the road network (in kms) that you are responsible for?	556.3 km
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?	\$-5,174.00 backlog for the current year of 16/17

	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	\$853,040	\$972,775	\$1,937,414
2013/14 financial year	\$465,877	\$476,660	\$1,747,328
2014/15 financial year	\$1,369,977	\$443,469	\$1,889,234
2015/16 financial year	\$444,734	\$1,263,040	\$2,774,237
2016/17 financial year (if not known please state this) – As per budget figures	\$898,045	\$1,474,129	\$1,540,129

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

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### 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	<b>None</b>	<b>Two</b>	<b>\$7,040.00</b>	<b>No</b>	
2013/14 financial year	<b>None</b>	<b>Two</b>	<b>\$7,286.00</b>	<b>No</b>	
2014/15 financial year	<b>None</b>	<b>Two</b>	<b>\$7,469.00</b>	<b>No</b>	
2015/16 financial year	<b>None</b>	<b>Two</b>	<b>\$7,700.00</b>	<b>No</b>	
2016/17 financial year (if not known please state this)	<b>None</b>	<b>Two</b>	<b>\$7,893.00</b>	<b>No</b>	

### 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.

Banyule City Council has minimal opportunity in influencing its employee benefit costs which comprise over 45% of the total expenditure. The Enterprise Agreement is signed to 30 June 2017.

The area where Banyule City Council has had most leverage is in its discretionary costs:

- Efficiency target of \$1m established and reported throughout the year 2015/2016
- Introduced efficient street lighting across municipality
- Most costs for the year not increased unless evidenced

Strategic Property sales were undertaken to increase cash reserves for major community infrastructure projects budgeted in the Strategic Resource Plan.

Banyule City Council ensured historical income and expenditure trends over 5 years were analysed

Detailed analysis by business units were undertaken to identify opportunities and challenges

Commentary required to support budget changes outside expectations

Detailed employee benefits reconciliations prepared for dollars and equivalent full time (EFT) staff

Efficiencies identified:

- Water and Energy savings projects - \$1.130 million
  - Energy efficient T5 streetlights
  - Stormwater harvesting project
  - WaterMarc (Aquatic and Recreation Centre) Cogeneration plant
  - Solar Panel installations – generating electricity savings



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- Tender negotiations – \$0.800 million
  - WaterMarc
  - Property insurance premiums (Building and Public Liability)
  - Library Contributions
  
- General operating improvements - \$0.250 million
  - Building permit fee income
  - Reduction in advertising costs as a result of moving from print media to digital
  - Council Car redistribution and /or reduction
  - Function hire buses ceased operation
  - Offsite printing

Banyule City Council did not defer or cancel any infrastructure works due to the introduction of rate capping.

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.

2016/2017 (similar exercise undertaken as in 2015/2016 budget development)

Banyule City Council has minimal opportunity in influencing its employee benefit costs which comprise over 45% of the total expenditure. The Enterprise Agreement is signed to 30 June 2017.

The area where Banyule City Council has had most leverage is in its discretionary costs:

- Efficiency target of \$1m established in 2015/2016 will continue to be monitored and reported in 2016/2017
- Most costs for the year kept to a maximum of 2.5% increase – CPI across our expenditure base such as contractor costs
- Fees and Charges income were to remain at competitive rates and increase if possible by CPI
- Grant funding were also projected to remain at CPI or at competitive rates

Strategic Property sales were undertaken to increase cash reserves for major community infrastructure projects budgeted in the Strategic Resource Plan.

Banyule City Council ensured historical income and expenditure trends over 5 years were analysed

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Banyule City Council will be moving to new premises in January 2017 to consolidate staff accommodation in one headquarters. It is expected that efficiencies will continue to be identified and reported through a Benefits Realisation Plan.

- Better facilities and access for the community, with more meeting rooms, a better customer service area, and increased accessibility.
- Improved energy efficiency and a reduced carbon footprint.
- An estimated \$1m in annual ongoing savings in net operating costs and improved productivity by collocating staff.
- Reduced duplication and more responsive and effective systems, such as information technology, telecommunications and records management.
- Elimination of travel times between three offices, reducing costs and increasing efficiency.
- Important and ongoing income stream for Council, and increased local job opportunities, from the 2<sup>nd</sup> floor of commercial



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office space.

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