



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 Tuesday 12 July 2016. If you have any questions please contact the Secretariat on 03 8682 2869.

Council Name:	City of Boroondara
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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 per cent	241,407 (0.37 per cent)
2014/15 financial year	3.5 per cent	284,494 (0.42 per cent)
2015/16 financial year	3 per cent	190,878 (0.26 per cent)
2016/17 financial year	3 per cent	207,978 (0.27 per cent)
2017/18 financial year	3 per cent	N/A

2. Local government general election costs 2012 and 2016

General council election	Cost	How delivered (i.e., 'postal' or 'attendance elections')
2012	446,813	Postal
2016	662,500 Budgeted cost	Postal

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

Recent changes to the *Local Government Act 1989* have established the VEC as the sole statutory election service provider to the local government sector. The Minister for Local Government has also determined a general rate cap of 2.5% for the local government sector in the 2016-17 rating year. Council acknowledges significant increases in the cost of postage, from 47 cents per item in 2012 to 97 cents per item from 1 January 2016, have been a major factor in the increases. We also recognise that the VEC has no control over postage charges, just as council has no control over the charges imposed by Victoria's sole provider of election services.



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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 **total remuneration** for each position.

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		1		
\$130,000 - \$139,999	10		2		\$260,000 - \$269,999					\$390,000 - \$399,999				1
\$140,000 - \$149,999	5		13		\$270,000 - \$279,999					\$400,000 - \$409,999				
\$150,000 - \$159,999		2	2	1	\$280,000 - \$289,999		4			\$410,000 - \$419,999				
\$160,000 - \$169,999				2	\$290,000 - \$299,999				4	\$420,000 - \$429,999				
\$170,000 - \$179,999	1	9		3	\$300,000 - \$309,999					\$430,000 - \$439,999				
\$180,000 - \$189,999		3	1	5	\$310,000 - \$319,999					\$440,000 - \$449,999				
\$190,000 - \$199,999		3	1	3	\$320,000 - \$329,999					\$450,000 - \$459,999				
\$200,000 - \$209,999		3	1	5	\$330,000 - \$339,999					\$460,000 - \$469,999				
\$210,000 - \$219,999					\$340,000 - \$349,999					\$470,000 - \$479,999				
\$220,000 - \$229,999				1	\$350,000 - \$359,999					\$480,000 - \$489,999				
\$230,000 - \$239,999		1			\$360,000 - \$369,999					\$490,000 - \$499,999				
\$240,000 - \$249,999				1	\$370,000 - \$379,999					\$500,000 +				

Senior Officer Definition 2014-15 > \$136,000

Senior Officer Definition 2015-16 > \$139,000



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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	3,580,832	802,391
2013/14 financial year	3,607,320	1,503,068
2014/15 financial year	4,006,395	1,029,587
2015/16 financial year	3,865,554 Forecast	1,112,935 Forecast
2016/17 financial year (if not known please state this)	4,043,358 Budget	1,016,765 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?	Length of local roads (sealed and unsealed) = 582km
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?	<p>Council is not considered to have an asset renewal backlog of roads or bridges. These assets are considered to be in an acceptable condition to maintain the current level of service. Council provides sufficient annual funding, in conjunction with Roads to Recovery funds, to manage the renewal of any assets nearing the end of their useful life.</p> <p>There is one bridge that could be considered a backlog item; the Walmer Street shared path bridge. It has failed at least two places and currently has temporary support props. Its renewal is estimated at \$1.5M but as it is part of the Main Yarra Trail across eastern Melbourne, Council has been seeking state government funding for its reconstruction in recognition of its state significance.</p>

	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	880,417	480,529	10,349,165
2013/14 financial year	851,859	457,483	10,764,230
2014/15 financial year	1,252,394	398,650	9,900,152
2015/16 financial year	430,337	1,138,941	10,886,491 Forecast
2016/17 financial year (if not known please state this)	836,340 Budget	1,315,389 Budget	11,214,946 Budget

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	Nil	2	12,000		
2013/14 financial year	Nil	2	12,000		
2014/15 financial year	Nil	2	12,000		
2015/16 financial year	Nil	2	12,000		
2016/17 financial year (if not known please state this)	Nil	2	12,000		

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.

Council reduced the level of rates in its long term financial plan in preparation for rate capping in 2014-15 to 2.7% projected annually. Council had individual Local Area Work Agreements (LAWA) instead of one organisational wide Enterprise Agreement up to 2015-16. It has significantly reduced the number of LAWA's and brought all enterprise agreements into line with a conclusion date of 2018 to enable better planning for incremental increases in wages and conditions.

Council also reduced debt levels significantly to bring forward the finalisation of current loans that were used for capital works projects (major works). This resulted in reduced interest costs by more than \$ 11 million over the 10 year life of the Long Term Financial Plan.

The quantum of budget bids for priority and capital works for community projects not based on previously adopted Council Strategies and Plans was decreased with the funds channelled to Information Technology and Innovation projects with the aim of enhancing customer experience and streamlining processes.

In the years leading up to rate capping Council officers embarked on a program of detailed budget review to remove discretionary funds not directly aligned to a specific service provision.

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.

Council has not deferred any capital works. Council further reviewed its Long Term Financial Strategy to reflect reducing levels of CPI going forward. Council has embarked on a significant organisation wide project to move to a digital environment, to streamline customer experience, ensure increased accessibility and minimise red tape in the provision of Council services.