



SRV Community Engagement July 2021 – Queries raised in online engagement sessions

Meeting	Questions	Initial Reply by Presenter	Council response
19/07/2021 12:30h	Nil		
19/07/2021 18:00h	Nil		
20/07/2021 12:30h	Why are Council building new assets/upgrading assets when they know they can't afford it		Council has received a number of requests for improved or new facilities from the community. Councillors believe improvement of the amenity for the area will help attract more people and distribute the costs. Councillors believe we have a good level of service and have requested the organization to continue to make efficiency savings, but this alone will not cover the costs of the level of service desired by the community and Councillors acknowledge to have this higher service level will cost the community a small amount in additional rates. Council is advocating for a fairer distribution of Federal Assistance Grants to rural regional Council's that don't have the density of population to distribute costs over.
	How can such a large SRV even be applied for, is there a maximum	There is no maximum	Recently, the highest SRV approved by IPART was 76% over 7 years
	Do Councils that apply for SRVs get back to a sustainable position	Yes, they do initially, but many face similar challenges at some point in the future when costs and rate cap start to diverge again	The rate cap is a false income ceiling, and the reality is that costs are exceeding the rate cap. The only way to stay within the rate cap is to reduce services



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	Is Caroola, Aged Care, Community Transport, Caravan Park considered non-core	Yes, these are considered non-core Council services	Childcare, Aged Care, Community Transport are the responsibility of other levels of government. Council has chosen to operate these, reflecting specific community need. Council aims to operate services that are the responsibility of other levels of government only if the cost of the service is covered by government and/or users. Caravan Parks are a commercial operation not mandatory for Council to operate. When operating commercial operations Council expects a surplus return
	Why is the State Government not taking responsibility, they enforced the merger	This is not about the merger, explained within presentation SRVs are State Government's preferred solution to the sustainability issues faced by Councils	The state government expected to see efficiencies gained by 2030. There is an expectation that the community is actively engaged with the necessary choices to match service levels and expenditure to income capacity.
	Previous budget provided by Council showed a profit and now it's a 10-year deficit		Council has forecast ongoing operating deficits in its last four long-term financial forecasts. The funding gap widened in each consecutive forecast due to increasing costs and capped income.
	Where did previous community feedback come from relating to LTFP SRV scenario	Community feedback provided during public exhibition of budgets and operational plan	Council places the operational plan, budgets, and associated documents on public exhibition about the same time each year in late May/early June. Submissions received are detailed in the Report to Council prior to adopting the document in June.



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	How Council came to be in this position	Addressed within presentation	Increasing service levels, increasing capital funding and maintenance costs for new assets, cost shifting, increased governance expectations and a ceiling placed on rates that does not allow for this growth
20/07/2021 18:00h	How will Council's commitment to efficiency gains be monitored and who ensures Council is accountable and achieves these	Council reports annually in its annual report, and quarterly on achieving budget	Council will publicly report progress against the Sustainability Plan and efficiency gains quarterly and via the Integrated Planning & Reporting framework.
	Ensure aggregate poll responses are made public		A comprehensive engagement report will be made public prior to Council's consideration of a SRV application.
	How many people have participated in these online meetings	Not many	In total 21 community members participated in the 6 online engagement sessions
23/07/2021 12:30h	Is this a permanent or temporary SRV	Permanent SRV	A long-term solution is required. A permanent SRV means that once the total agreed percentage increase is applied, the new rate base remains
	Why can't Council make more than \$600K in internal savings		Greater savings can only be achieved through reducing service levels offered to the community, as that has a direct impact on staff and materials costs. The current and ongoing community engagement revolves around balancing the need for internal savings, service level reductions, fee increases and reduction of assets.



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	Why did Council not stop works when overspend started on roads		Council Project Managers undertake fortnightly review of their project budgets. If they are found to be not in line with their forecasts, a review of scope and delivery is undertaken with the Project Team
	Why has the situation occurred	Addressed within presentation	Increasing service levels, increasing capital funding and maintenance costs for new assets, cost shifting, increased governance expectations and a ceiling placed on rates that does not allow for this growth.



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	Why does Council apply for or accept grant funding to build assets that they cannot afford to run or maintain	A lot of community members want assets funded from elsewhere, but this needs to be balanced against long-term costs	Council balances requests for improved or new facilities from the community and general upgrade needs against the ongoing long-term costs and opportunity provided by external funding. Councillors believe ensuring ongoing investment in assets and amenity for the area not only benefits residents but assists to attract more people to the area and distribute the costs. Councillors have requested the organisation continue to make efficiency savings, but this alone will not cover the costs of the current level of service desired by the community and acknowledge maintaining the current service level will cost the community a small amount in additional rates. Council is advocating for a fairer distribution of Federal Assistance Grants to rural regional Council's that don't have the density of population to distribute operational costs.
	Does the calculation of services include running costs	Yes, the calculations include on-going costs	



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	Numbers around services that could Council hand back to government		<p>Many services Council has highlighted as 'non-core' are able to be passed to other providers and continue to operate within the community. It is Council's preference that where this can occur it is a better option than stopping the service offered to the community.</p> <p>In some cases, Council may no longer provide the best operating model for the provision of the service. Most not for profit and commercial operators do not have the overheads and governance requirements that are legislated for a local government to comply with, and they likely have access to employee conditions that local government is unable to access which allows them to deliver the same services at a lower cost. It is Council's preference to maintain the level of service the community currently receives</p>
26/07/2021 18:00h	Individual circumstances		<p>Ratepayer sent a detailed query which was answered directly.</p> <p>Council recognises that some ratepayers in the community may have difficulty in meeting their commitments regarding the payment of residential Rates & Charges. Alternative arrangements for those experiencing genuine financial difficulties can be made on an individual basis.</p>



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15/09/2021 12:00h	Council has just emerged from a Special Rate Variation?	The former Tumut Shire SRV expired after 15 years at the end of the previous financial year	
	How come a permanent increase is called a Special Rate Variation, isn't it just a rates increase?	This is a legislative term for the process of applying for a rates increase above the rate peg	
	Question about a ratepayer having experienced a rates increase at 1 July 2021		Ratepayer encouraged to lodge an enquiry directly with Council
	Why is a septic charge included in the rates notice for the first time this year?		The Local Government Act requires Councils to regulate the installation and operation of on-site sewage management systems. Part of this is the approval for the ongoing operation of the system. The on-site sewage management charge is now charged to all properties in the Local Government area
	Rateable farmland being swallowed up by State Forests who pay no rates?	Rateable properties will be affected by the special rate variation, non-rateable properties will not be affected as they don't pay general rates	
	Tumbarumba Basketball Stadium being the local evacuation centre and why build a new one rather than use existing facility?	This facility is not an evacuation centre Council is planning to provide one evacuation centre to all residents; any evacuation centre has to strictly comply with regulations and resources have to be available to staff and run it	Council has received funds to build a multi-purpose facility that will function as an evacuation centre for the entire Local Government area in case of a disaster There are other evacuation centres in Albury and Wagga Wagga which provide services on a regional level
	How can you conclude anything from 3 participants? (the number of participants that responded to the polls during the meeting)		The responses from all meetings will be aggregated



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15/09/2021 17:30h	Confusion about the actual percentage rate of the SRV and why the rate peg is not included?	Council is currently informing the community about the SRV options over and above the rate peg For example the 15% plus 15% option compounds to 32.25% over two years over and above the rate peg	Upon Council decision to continue with the application process further information will be made available The application to IPART will follow IPART's guidelines which are not yet available, including the rate peg to be applied in modelling
	If the State decided to cover the emergency services levy would there be no need for an SRV?	The levy makes up between 5 and 8% of general rates revenue and this would not be sufficient to close the gap	
	What is the full list of assets identified for potential sale?	Council provided the list	Examples of assets that may be rationalized has been included in a number of public documents, including the leaflet distributed to all letterboxes A complete list of potential assets that could be repurposed, sold, disposed of or transferred is available on Council's website, however, this list may be expanded in the future depending on Council adopted strategies
	Are the savings from asset rationalization from selling the asset or savings from maintenance?	The savings result from ongoing reduction in maintenance and running costs and depreciation charges	
	What specific areas have been identified to make the \$600K per annum productivity savings, what date would these start and what degree of confidence do you have in this target being achieved?	Most of these savings will come from Council's sustainability plan and will be applied from the next financial year, although some are being made now. Complete confidence that Council commits to these actions	
	Who has defined core services?	Core services are those that Council is legally obliged to provide Everything else is considered non-core	



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	Why is there no option that allows us to state we don't want any of these options?	There is a poll during the meeting that allows for this, ie. includes an option D which proposes not to proceed with an SRV and instead reduce and stop services and make all the proposed savings	